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## U.S.-Soviet Talks: Content vs. Message

On Space Arms, Washington Weighs  
 Value of Meeting in an Election Year

By Leslie H. Gelb  
 New York Times Service

WASHINGTON — The side that determines the negotiating agenda shapes the negotiations. That is the diplomatic reality that Reagan administration officials contend with as they seek a formula for starting talks with the Soviet Union on space weapons.

### NEWS ANALYSIS

If Moscow gets its way on the agenda, officials say, Washington will lose on two counts. First, they say, the United States will have to go beyond anti-satellite weapons and put all space weapons up for barter. This would include space-based missile defenses that officials would prefer not to talk about yet and not at all in isolation from offensive nuclear missiles.

Second, it will have to forgo bargaining on medium-range and intercontinental offensive nuclear forces. Officials say these are of more immediate concern.

In return for these concessions, Moscow has in effect offered the administration a political plum — the spectacle of Soviet and U.S. arms control delegations sitting down together only weeks before the presidential elections.

"At some point, we're going to have to decide which is more important to us, the content of Vienna or the message of Vienna," a U.S. official said.

The general view in Washington is that Moscow did not expect President Ronald Reagan to accept the offer of talks made June 29 but, on the chance that he would, Moscow resolved to insist on its terms.

Over the weekend and after a public blast from a Soviet official, the administration altered its stance on the draft communiqué. Instead of its originally vague language, the U.S. draft has apparently acceded to Soviet desires and speaks of talks "on outer space, including anti-satellite weapons."

Alan D. Romberg, a State Department spokesman, said: "Arguing about the agenda is the starting point of every negotiation. Over the last 15 years in Soviet-U.S. relations, however, it has usually taken place after the two sides met, not before, and was done privately. Disputes were almost always resolved by agreeing to discuss each side's agenda."

The public exchanges in the present episode, together with the seeming unwillingness to compromise, recall a past where the superpowers seemed more intent on propaganda than actual negotiations.

William G. Hyland, editor of Foreign Affairs, said: "The hassle over agenda beforehand is more reminiscent of the way the two superpowers did business before 1970, and especially in the 1940s and 1950s, as a way not to hold talks. The bickering is a comment."

(Continued on Page 2, Col. 1)



Prime Minister Yitzhak Shamir, right, greeted Shimon Peres, the Labor Party leader, as they met Wednesday to discuss forming a coalition government.

## Top Israelis Discuss a Cabinet Of Unity

By James Feron  
 New York Times Service

JERUSALEM — The leaders of Israel's two major political parties met for four hours Wednesday and said they were ready "to consider the possibility" of forming a national unity government.

Prime Minister Yitzhak Shamir, leader of the Likud bloc, and Shimon Peres, the Labor Party leader, said in a statement that they would meet again Thursday "to focus on economic and social matters."

The statement provided a sense of optimism for supporters of a unity cabinet because those areas are generally regarded as offering the greatest chance for agreement.

Yitzhak Rabin, a former prime minister and a member of the Labor delegation, said after the talks: "There was a serious discussion in a serious atmosphere and it gives hope."

The unity talks were encouraged by President Chaim Herzog after the major parties achieved near parity in last week's national elections and then seemed unable to form coalitions in their negotiations with smaller parties.

At the meeting in Jerusalem's King David Hotel, each leader was flanked by the men who would form a government if either party had been able to construct a coalition, and who would probably play important roles in a unity government, or who were there to represent various party factions.

With Mr. Shamir were Ariel Sharon, defense minister during the 1982 invasion of Lebanon and now a minister without portfolio, and Moshe Arens, his successor at the Defense Ministry.

Also on the Likud side were David Levi, the deputy prime minister; Yitzhak Mordechai, minister of energy and representative of the Liberal Party in Likud, which is actually a conservative faction; and Eliezer Shostak, minister of health and leader of the La'am workers' faction.

With Mr. Peres were Mr. Rabin; former Prime Minister Yitzhak Navon, who is also Labor's nominee as foreign minister; Haim Bar-Lev, the party's secretary-general; and Moshe Shalek, the party's Knesset whip.

If there was any talk of who would be prime minister in any unity government, the party spokesmen did not discuss it after the meeting ended and the participants left to varying levels of applause from tourists in the hotel lobby.

President Herzog made an exception to the process of consulting with all political parties on Wednesday by refusing to meet with Rabbi Meir Kahane, who has pledged to use his Knesset seat to rid both Israel and the occupied West Bank and Gaza strip of their Arab inhabitants.

Mr. Herzog said that there was no place for racism in the Jewish state. Rabbi Kahane had sought to gain entry to the presidential residence but was turned away by police.

Mr. Herzog had talked in his meetings with party leaders of an increasing interest in a national unity government. Support also came from Moshe Mandelbaum, governor of the Bank of Israel, who said that if drastic steps were not taken soon the economic crisis would worsen.

He said foreign currency reserves declined by a record \$351 million in July, and that record numbers of other seats in Parliament. Most of them are in the northern "Hindib" where the main strength of the prime minister's Congress Party lies, Maneka.

## U.K. Says Main Hong Kong Issues Are Resolved

Reuters  
 New York Times Service

HONG KONG — Britain and China have agreed on the main points of an accord to give Hong Kong a high degree of autonomy for 50 years after China takes over the British colony in 1997, Britain announced Wednesday.

The foreign secretary, Sir Geoffrey Howe, after four days of talks with Chinese leaders in Beijing, said the two countries were on course for an historic, legally binding agreement that would preserve Hong Kong's capitalist economy and basic freedoms.

"We have broken through on the main problems," Sir Geoffrey said at a press conference. But he said that some substantial points remained to be settled in negotiations due to resume in Beijing next week.

He said the aim was to initial an accord by the end of September. Then Hong Kong opinion will be assessed and the document submitted to Parliament in London.

"Though there is still a lot of work to be done, I am confident that we are on course for a conclusion which will be able to commend both to the people of Hong Kong and to the British parliament," he said.

Sir Geoffrey said that China had agreed that Britain would run Hong Kong until the transfer of sovereignty in July 1997, when its 19th-century lease on most of the capitalist enclave expires.

After 1997, China has said Hong Kong will become a special administrative region of the People's Republic.

For 50 years from 1997, a period set by Beijing, "Hong Kong's economic and social systems, its distinctive way of life and its position as a financial, trading and industrial center will be secured," Sir Geoffrey said.

"It is visualized that after 1997 the Hong Kong people will still continue to govern Hong Kong," he said.

Until the handover, China and Britain will consult in a joint liaison group meeting alternately in Beijing, London and Hong Kong. After 1988, the group's main base will be Hong Kong.

To allay local fears that China might interfere in the colony's affairs during the 13-year transition period, Sir Geoffrey said the liaison group would have no power or supervisory role. "It will play no part in the administration of Hong Kong," he said. "The Chinese leaders have given me firm and specific assurances on these points."

The liaison group will continue work until the year 2000, giving Britain a consultative role in Hong Kong for 2½ years after it comes under Chinese authority.

China will be in charge of external affairs and defense and has said it plans to station troops in the territory. Sir Geoffrey said internal security would be in the hands of the Hong Kong special administrative region government.

He said that, under the agreement, Hong Kong would keep its legal system as well as the power to make laws and decide trade policy. It would remain a separate customs territory and manage its own financial affairs. The Hong Kong dollar would remain convertible.

Sir Geoffrey said the agreement would be legally binding in that "an international agreement is the highest form of commitment possible between sovereign states," and that China's respect for international agreements was known.

### Chinese President Plans Trip

The Associated Press

BEIJING — President Li Xian-nian of China will visit Romania in late August and Yugoslavia in early September, Qi Huaiyuan, a Foreign Ministry spokesman, said Wednesday. Mr. Qi did give the precise dates of the visits.

### INSIDE

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■ Managua's archbishop told U.S. businessmen that he was directing an anti-Communist drive. Page 3.

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■ Angolan rebels claim to have attacked a Soviet and a Cuban ship in Luanda harbor. Page 5.

■ Chrysler Corp. cashed in its entire pension plan stock portfolio. Page 9.

■ More U.S. economic data showed the economy was likely to slow shortly. Page 9.

**TOMORROW**  
 ■ Los Angeles is on its way toward becoming a center of high art, aided by money, time and collective effort. Weekend.



AT THE BUZZER — Jingling Lu of China's Olympic basketball team leaps as high as a slam dunker to mark an 85-83 victory over France. Details, Pages 6 and 7.

## East Berlin Defends Its Opening to West

The Associated Press

BERLIN — East Germany defended its improved contacts with West Germany on Wednesday and said that its goal was "safeguarding peace."

An editorial in East Germany's communist Party newspaper Neues Deutschland also asserted that both German states were "independent" in their domestic and foreign affairs.

The article was the strongest public response the East Germans have made to Soviet criticisms of the recent warmup in relations between Bonn and East Berlin.

On Friday, the Soviet Communist Party newspaper Pravda questioned the value of better relations with West Germany and charged that East German relations and actions were "chauvinist" and "nationalist."

Pravda was really seeking to undermine East German sovereignty, Neues Deutschland reprinted the Pravda commentary in full on Saturday.

On Monday, Neues Deutschland published a Hungarian commentary that generally supported East German attempts to improve contacts with the West.

Neues Deutschland said Wednesday that East Germany, in pursuing relations with West Germany, is seeking to carry out socialist "peace efforts" and guarantee that a war never starts again on German soil.

tribute to that war will never again start from German soil," Neues Deutschland said.

East Germany had "time and again proved in the past that it is serious about this. The same cannot be said about the other German state, in view of the constant piling up of an atomic arsenal" in West Germany, the article said.

"This makes it clear that the core of the relations... is safeguarding peace, that both sides are independent in their domestic and foreign affairs," Neues Deutschland concluded.

The Bonn official who has headed negotiations with East Germany, Philipp Jenninger, said Tuesday that he believed that East German relations wanted to continue to improve relations.

He said he expected the East German leader, Erich Honecker, to visit West Germany as planned this fall.

Last week, relations between the two German states reached a new high when Bonn guaranteed a \$330-million bank loan to East Berlin.

East Berlin responded by agreeing to lift some restrictions on travel between the two Germanys starting Wednesday. It has not officially announced the measures, but Western visitors to East Germany Wednesday reported that at least one of them had gone into effect.

In another development, two young East German men scaled a three-meter (10-foot) steel border fence using homemade mountain-climbing spikes on Tuesday and escaped to West Berlin, police said Wednesday.

## Maneka Gandhi Challenges a Family and a Party

By William K. Stevens  
 New York Times Service

NEW DELHI — The 27-year-old daughter-in-law of Prime Minister Indira Gandhi is preparing to challenge her brother-in-law for his seat in Parliament and there are many who believe that much of India's political future may turn on the outcome.

Maneka Gandhi, the widow of Mrs. Gandhi's son Sanjay, is forthright about her political prospects. She says that, depending on how well she and her fledgling political party fare in the coming parliamentary elections and their aftermath, she could well be in a position to become prime minister five years later.

The impending race between Maneka Gandhi and her brother-in-law, Rajiv Gandhi, reflects a bitter split in what some call the Nehru dynasty.

The dynasty began with Jawaharlal Nehru, India's first prime minister. It continued, after a pause, with Indira Gandhi, Mr. Nehru's daughter. Now the fight for possible succession is between Mrs. Gandhi's daughter-in-law and Rajiv Gandhi, who has replaced Sanjay as his mother's successor.

Although Rajiv Gandhi runs his mother's Congress-I Party, both he and the prime minister have said

that he must prove himself with the voters if he expects to move higher. Now, Mrs. Gandhi, who is usually called Maneka to avoid confusion with her mother-in-law, appears to be preparing a strong challenge in the parliamentary constituency Rajiv represents in Uttar Pradesh. It was also Sanjay's old district.

If she succeeds, many political commentators say, Rajiv's political career will be severely damaged, if not destroyed.

It became clear, soon after Sanjay Gandhi died in June 1980 at the age of 33 in the crash of his stunt plane, that Rajiv and Maneka would compete for his mantle as the second most powerful figure in India.

After Sanjay's death, Rajiv, who had lived quietly as an airline pilot, was persuaded by his mother to enter politics. He is now the most important of several secretaries of the Congress Party and one of his mother's few key confidants.

Maneka, on the other hand, was evicted in 1982 from the prime minister's home, where she had been living since her marriage to Sanjay in 1974.

Just when the election will be held is uncertain. By law, the prime minister must call a national election for the lower house of Parliament so that the new body can be installed by Jan. 20.

Rajiv is rated the favorite to defeat Maneka in the rural constituency of Amethi, about 300 miles (480 kilometers) southeast of New

Delhi in eastern Uttar Pradesh. But Maneka says she has long since blanketed the constituency with workers, five or six to every village, who are engaged in a grass-roots effort to do things for the people that, she asserts, the Congress Party is neglecting.

Mostly these are small things, such as getting children into school and obtaining medicine. But sometimes they involve a militant, direct-action approach that owes something to another Gandhi, the Mahatma.

Not long ago, for example, she led a fast at an electrical goods factory in Amethi. The factory is one of the fruits of Congress Party largesse under Rajiv. The fast was staged to obtain fair compensation for people whose land had been taken for the factory and to make sure that people of all political persuasions would be employed there.

Maneka won, for the demands were met. She says she believes this sort of activity, and her own claim



Maneka Gandhi

to be Sanjay's rightful heir, will enable her to win.

Her recently organized political party, the Rashtriya Sanjay Manch, is also competing for 170 other seats in Parliament. Most of them are in the northern "Hindib" where the main strength of the prime minister's Congress Party lies, Maneka.

## Now, in the Good Old Samurai Time This Is the Season for Japan to Relax and Even Play

By Clyde Haberman  
 New York Times Service

HARAMACHI, Japan — Around noon one recent day, 480 horsemen in Japanese medieval armor galloped across a broad field in a swirl of color and history.

The riders earlier paraded through this farming village on the Pacific Ocean, flanked by rough-faced men and followed by boys in white robes who carried portable Shinto shrines. The shrines provided a reminder that this assemblage was, at heart, a religious event. All the attention, though, was on the samurai on horseback.

For three days, they marched and prayed, raced one another and chased horses across the grass, batted for colored flags fired into the air and, in general, had a good time strutting about and holding forth in gurgling voices.

Hidenaga Kumakawa, their commander in chief, had prepared for weeks, abstaining from meat and raw fish to purify himself and slightly adjusting his gentle manner

so it conformed more with what might be expected from a feudal warrior. For two years Dr. Kumakawa has been the commander, as was his father, at the end of World War II he buried his large collection of medieval armor and weapons to keep them from the occupying American soldiers.

Thousands of people came to the Soma region of northern Japan for this centuries-old festival known as Nomaori, or Wild Horse Chasing.

With today's horses, wildness exists in memory only, but it has made no difference. The Nomaori is nonetheless one of the more eye-filling spectacles in this season when Japan frequently pauses for festivals rich in communal tradition and religious significance.

This country remains deeply conscious — at times, self-conscious — of its roots. It glances backward as much as it looks ahead, and summer makes it easier to think of Japan as it once was.

In the big cities, neighborhoods blaze at night with lanterns and

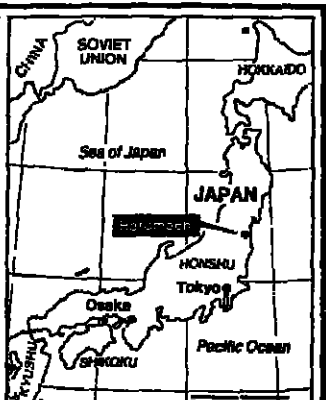
pulsate to the beat of giant drums as people leave their homes for group dancing in the streets. Men — only a few, but more than at most times of the year — take off their suits and come out in the evening in Yukata robes and cloys.

Japanese know that they are often viewed abroad as drones incapable of taking a break. That is a mild slander, they say, and pull out the figures to prove it. Statistics tend to be recorded here with almost theological rigor, and among the many surveys is one showing that the average big-company employee will take 6.5 days of vacation this summer. Last year, it was 6.1 days. Obviously, Japan has become more laid-back by several hours.

Some of these vacationers will go abroad, but the overwhelming majority will cram into always-on-time trains for visits to resorts or hometowns.

In more recent times, old hands say, Japanese tended to re-

(Continued on Page 2, Col. 3)



Horsemen racing past crowds at a festival in Haramachi, Japan, and, above, Dr. Hidenaga Kumakawa, commander in chief of the samurai forces.



# Some States Cracking Down on Tradition of Drunken Boating

By Barry Bearak  
Los Angeles Times Service

FORT LAUDERDALE, Fla. — This city has long been called the Venice of the United States, its sunny face creased with an intricate network of canals. Afternoons find the narrow channels filled with boats, and evenings find many of those boats filled with booze. Barmen serve drinks from dockside bars.

On a rainy night this May, Scott Berger and five friends were lolling at one of those bars along the waterway. He left first, and his friends soon followed in a second boat. Mr. Berger, 28, slowed as he entered a no-wake zone by the Sunrise Bridge, but his friends did not. They blindly rammed into his 21-foot (6.5-meter) boat, pitching it over the sea wall and leaving him sprawled on the port-side floor near the bulkhead.

Officers with the Florida Marine Patrol still talk of the spectacular crash as if it were some kind of morality play. They sift through pine needles on the shore and pick up shards of fiberglass debris. The autopsy showed that every bone in Mr. Berger's skull had been fractured. Blood tests revealed that his close friend, Robert Amsterdam, the driver of the second boat, had been drunk.

"Boating has its customs," said Captain Glenn Keeler of the marine patrol. "People may forget their

life jackets but they pack their beers. That's just the tradition."

Florida, like many states across the country, is trying to temper the tradition of the drunken sailor. On Oct. 1, the state will replace its vague, four-line law against drunken boating with a tough, precise, 12-page statute that punishes first offenders with a minimum \$250 fine and 50 hours of public service, mandatory attendance at an alcohol-abuse course and up to six months in jail. For a second offense, a jail term is mandatory.

"Something had to be done," said Colonel D.N. Ellingsen, chief of the marine patrol. "We're seeing a sharp rise in boats running into each other. People who know enough not to get behind the wheel of a car because they're intoxicated think nothing of getting into a boat."

Since 1983, nine other states — California, Arizona, Indiana, Louisiana, Maryland, Minnesota, Pennsylvania, South Dakota and Wisconsin — have toughened their laws about drinking at the helm. Several more have bills pending.

If the campaign against drunken boating is new, the problem is an old one.

"The cooler takes the place of honor in the boat," said Carroll Henneke, Indiana's boating administrator. "Before loading anything else, that cooler has to

be in place. When you go on an auto trip, it is not customary to have a drink before leaving; but in a boat, it is accepted that beer is cargo, and you don't go without it."

Last year, 5,569 boating accidents and 1,241 boating deaths were reported to the U.S. Coast Guard. Only highway traffic accidents, which caused 42,500 deaths in 1983, produced more fatalities.

In the past, most state laws against drunken boating have been vague. They were without provisions for testing those suspected of intoxication and imposed no stiff penalties for causing serious accidents.

Currently, state boating officials are looking to California for guidance. That state stiffened its law in 1981 and again in 1983. The statute makes drunken boating punishable by up to \$500 in fines and six months in jail. If the drunken boater causes a fatality or a serious injury, the crime is a felony, punishable by up to one year in jail and a \$5,000 fine.

The revisions of state boating laws vary widely, depending on how legislators have handled several controversial issues.

Florida's new law, for instance, includes an "implied consent" provision: By merely taking the helm, a boater implicitly agrees to submit to a breath or urine test to determine blood-alcohol content if arrested.

"In the past, we'd have cases where a guy was falling

down drunk, but when we got him ashore he'd refuse to take a Breathalyzer" test (for blood-alcohol content), said Charles Webb of the Florida Marine Patrol. "Then, in court, his attorney would say we were observing him before he got his 'land legs' back."

California's law has no implied consent provision. Officers on marine patrol must depend on field sobriety tests that are less than airtight when a case comes to court; they can ask a boater to recite the ABCs, to count backwards, to copy a drawing.

Another issue involves setting a legal standard for blood-alcohol concentration. Driving laws in most states specify that a .10 reading — roughly equal to four or five drinks — is an indication that the driver is intoxicated.

In Florida, a reading of .05 can be used with other evidence to prove intoxication.

"There are stress factors in boating that add to the influence of alcohol," said Colonel Ellingsen of the Florida patrol. "The sun, the wind, the vibration of the boat, that and alcohol make you drowsy, distort your mental faculties."

"You know, when you have a vehicle accident, you can lie on the ground until help comes. But in a boating accident you end up in the water, and even if you're a strong swimmer, if you're intoxicated, you're going to drown."

## 6 Killed and 58 Injured In Kashmir Street Clash

New York Times Service

NEW DELHI — At least six persons were killed and 58 wounded when opposition mobs battled policemen Wednesday in the streets of Srinagar, capital of Kashmir state, news reports said.

The wounded included 43 policemen, and several were listed in critical condition with severe head wounds. Indian news agencies said. State authorities imposed an indefinite curfew in the troubled area, only one day after an earlier curfew had been lifted.

The previous curfew ended after the state government, a faction of the National Conference regional party, supported by Prime Minister Indira Gandhi's Congress-I Party, won a crucial confidence test in the legislature. The victory was preceded by stormy scenes which saw members exchanging blows. The ruling group removed the speaker from his chair, hustled him out of the house and elected a Congress Party legislator to the post.

Wednesday's violence involved members of the rival National Conference, who support Farooq Abdullah, the former chief minister. He was sacked by the state's governor last month after a dozen legislators from his party joined an opposing faction, reducing his government to a minority in the 78-member house.

The governor, who is a Gandhi appointee, then named Ghulam Mohammad Shah, Mr. Abdullah's brother-in-law and chief political foe, to the chief minister's post and asked him to prove his majority in the house. Mr. Shah now has 17 National Conference legislators and is supported by 26 lawmakers of the Gandhi party.

Mr. Abdullah is the son of the late "Lion of Kashmir," Sheikh Mohammad Abdullah. Mr. Shah is married to Mr. Abdullah's sister, who is the sheikh's daughter.

A government spokesman said at Srinagar that police fired at the mobs after they surrounded four police patrols, attacked them with rocks and then tried to set them on fire. He said that earlier efforts to disperse the crowds with tear gas had failed.

The trouble apparently began, the official said, after hundreds of Mr. Abdullah's supporters gathered at the party's headquarters, chanting anti-government slogans.

In other developments Wednesday:

■ The chief minister of Uttar Pradesh, India's most populous state, who is a Gandhi nominee, resigned citing bad health. Political sources said the official, Sripriti Mishra, is likely to be replaced by Narayan Dutt Tiwari, the present cabinet industries minister, who is a former state chief minister. The sources say that Mr. Mishra was asked to quit by Mrs. Gandhi because she felt the state needed a vigorous politician like Mr. Tiwari to improve her party's chances in national elections expected later this year.

■ The national defense minister, Ramaswami Venkataraman, was named the Congress Party's candidate for the post of India's vice president. Elections to the vice presidency are scheduled later this month when the current incumbent, Mohammed Hidayatullah, completes his five-year term. The post is largely ceremonial, with little power, although the vice president also functions as the chairman of the upper house of Parliament.

The opposition has not yet named a candidate. The vice president is picked by an electoral college comprising members of Parliament and state legislatures. In a contest, Mr. Venkataraman is expected to win easily because his party commands an overwhelming majority.

### Cheysson Ends Caracas Visit

REUTERS

CARACAS — Claude Cheysson, the French minister of external relations, left for Paris Wednesday after a two-day visit to Venezuela during which he called for a more active West European role in Central America and the Caribbean.

## On Space Arms, U.S. Weighs Value of Meeting With Soviet

(Continued from Page 1)

tary on the bad shape of current Soviet-American relations."

In 1968, Moscow did not want to talk about defensive missile systems, and the Johnson administration said it would not discuss offensive nuclear weapons unless Moscow put defensive systems on the table. Moscow agreed in principle, but when Richard M. Nixon came to power, changed its position.

Moscow agreed to begin those negotiations with offensive and defensive systems on the bargaining table, but demanded that a treaty limiting anti-ballistic missiles be concluded first. Finally, the two sides found a solution: concluding both at the same time.

Now, administration officials believe that the Russians will go to Vienna and give Mr. Reagan ammunition for his campaign only at a high price: to lay on the table future U.S. strategic advantages in anti-satellite and ballistic missile defense technology.

The administration is reluctant to part with the potential advantages of such talks. Some officials say there is a consensus not to trade away potential advantages without concessions from Moscow on medium- and long-range offensive nuclear forces.

Several administration officials say that the White House hand is

weakened by the November elections. One said that, in his view, Mr. Reagan would never agree to the Soviet agenda if he were not facing the elections, "but the elections change a lot of things."

To a number of administration officials, the choice is this: Concede on the agenda, go to Vienna, and worry about the negotiations later, or try to look as forthcoming as possible without making real concessions on agenda and do the serious bargaining after November.

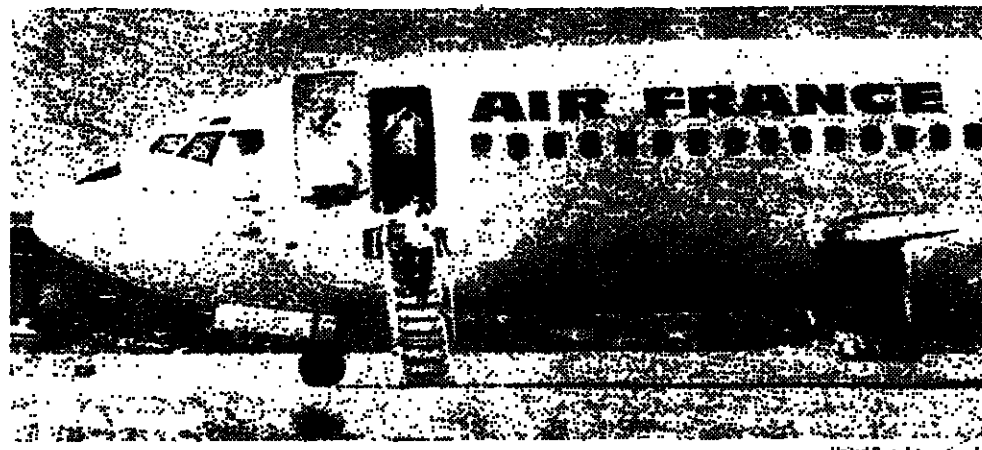
### Soviet Official Is Pessimistic on Vienna Meeting

The Associated Press

MOSCOW — A Soviet official said Wednesday that Washington's latest proposal on holding talks to limit weapons in space made no change in the U.S. position and "does not open up prospects for holding the talks."

Alexander A. Bessmertnykh, head of the Foreign Ministry's United States Department, accused the Reagan administration of taking steps to militarize space. Mr. Bessmertnykh briefed Soviet and foreign reporters on a U.S. State Department message reportedly delivered Saturday to the Soviet government.

In that message, the State Department expressed willingness to engage in talks on weapons in outer space, including anti-satellite weapons, according to diplomatic sources in Moscow. However, Mr. Bessmertnykh said that the United States "proposed talks on the militarization of outer space, rather than the prevention of the militarization of outer space."



Watched by an accomplice, a hijacker left the jetliner in Tehran to get food and water.

## Jet Hijackers Hold Hostages In Tehran

REUTERS

TEHRAN — More than 50 people were still being held Wednesday at the international airport in Tehran on board an Air France Boeing 737 jetliner, more than 12 hours after hijackers diverted the flight from Europe.

Four of the 55 passengers, including a woman and her child, were allowed to leave the plane, apparently because of illness, the official Iranian news agency, IRNA, reported. They were treated at the airport clinic.

The hijackers asked for food and water for the hostages, which were provided, but refused to negotiate or make their demands clear, IRNA said.

They threatened to start shooting if reporters and cameramen came too close to the jetliner, which was given tight security at the end of a secluded runway. They also asked that the plane be refueled, but Iranian officials made no move to meet the demand.

The jetliner had made stops at Geneva and Beirut and in Cyprus for refueling after being taken over on a flight from Frankfurt to Paris Tuesday.

Three Arabic-speaking men commandeered the aircraft, which Air France said carried 55 passengers and five crew members.

A group calling itself the Guardians of Islam claimed responsibility for the hijacking in a telephone call to the Tehran bureau of an international news agency. The caller said the group was demanding the release of five Iranians imprisoned in France for involvement in an unsuccessful assassination attempt in 1980 on Shahpur Bakhtiari, a former Iranian prime minister who is in exile in Paris. The group said it had been behind the attack on Mr. Bakhtiari.

Originally the plane carried six crew members, but a steward escaped from the aircraft when it refueled in Cyprus. He told French radio that the hijackers had assaulted several people on board but that no one had been seriously hurt.



Air France steward Daniel Egea, left, who escaped from the hijacked plane when it made a refueling stop on Cyprus.

## Israeli Attack Copters Raid Refugee Camp Near Tripoli

REUTERS

TEL AVIV — Israeli attack helicopters on Wednesday struck a guerrilla base near the northern Lebanese coastal city of Tripoli, an Israeli Army spokesman said.

According to the spokesman, his were scored on a base that the Israelis say is used for staging raids into Lebanon.

The Israelis identified the base as Nahr el-Bard, which is situated six miles (10 kilometers) northeast of Tripoli. The base is operated by Palestinians headed by Colonel Sayed Abu Musa, who is in rebellion against Yasser Arafat, the leader of the Palestine Liberation Organization.

Supported by the Syrians, the forces led by Colonel Musa hemmed in the PLO's leadership and supporters and eventually forced their evacuation from Lebanon. Since then, the Musa forces have played an active role in the Lebanese civil conflict and in resisting Israeli occupation of southern Lebanon.

Israeli planes have frequently attacked guerrilla bases in Lebanon but it was the first time that helicopters had been used in this kind of operation.

The Israeli spokesman said the raid Wednesday was part of the "continuing policy of striking at the terrorists wherever they may be and destroying their capability of attacking Israel."

He said that all of the Israeli aircraft returned safely to their bases.

According to the Israeli spokesman, another disident Palestinian organization, the Popular Front for the Liberation of Palestine-General Command, was also active in the camp. The camp has an estimated population of 14,000 Palestinian refugees.

Israeli aircraft last raided targets in Lebanon on June 27 and June 28 when their planes attacked what was believed to be an island guerrilla base off Tripoli.

### PERSONALITIES PLUS MARY BLUME IN THE WEEKEND SECTION OF FRIDAY'S IHT



ARMY PARADE — President Amin Gemayel of Lebanon, right, and Prime Minister Rashid Karami attended ceremonies in Beirut on Wednesday to mark the country's armed forces' day. Meanwhile, the cabinet postponed approval of a security plan for the mountains southeast of the capital where the army faces Druze Moslem militiamen.

## Welsh Miners Defy Court In Blockade

UNITED PRESS INTERNATIONAL

PONTYPRIDD, Wales — Coal miners in Wales blocked their union headquarters Wednesday with barbed wire to halt a possible court-ordered seizure of union funds.

There was also more violence in Britain's 21-week coal strike as police arrested 16 miners after a bus carrying strikebreakers to work at New Tupton had its windshield smashed. No one was reported injured.

Several thousand strikers surrounded the local headquarters of the National Union of Mineworkers in Pontypridd to defend it from court bailiffs expected during the day to seize an estimated \$4 million in union assets. The court ordered the action because of the union's refusal to pay a fine.

The High Court imposed a \$65,000 fine because the union in Wales failed to obey an injunction against picket line harassment. The judge ordered the fine paid by noon Wednesday, and when it was not, he ordered the seizure of union assets in southern Wales. A police spokesman said there had been no incidents in Pontypridd.

The National Union of Mineworkers called the strike March 12 to protest National Coal Board plans to close about 20 unprofitable mines with the loss of about 20,000 jobs.

"If all our assets are seized, we'll operate out of a public telephone box if necessary," said Arthur Scargill, the national president of the National Union of Mineworkers.

Welsh union leaders prepared for the possible seizure of their funds by moving thousands of British pounds out of union bank accounts. Some of the money was paid to union officials as advance salary. Other accounts were moved abroad.

An estimated 25 percent of Britain's 175,000 miners continue to work in about 40 mines, mostly in Nottinghamshire.

## Baker Suggests Senate Cut Panels

The Associated Press

WASHINGTON — Howard H. Baker Jr., the retiring Senate majority leader, says that the Senate is so overrun with committees that members never have time to engage in debate on the floor of the chamber.

"This thing has gotten out of hand," the Tennessee Republican told a special Senate panel studying ways to streamline the Senate committee system. Mr. Baker proposed an end to overlapping jurisdictions between committees that authorize programs and those that appropriate funds by having a single set of committees with both powers.

He also cited a "loss of status of the Senate as a public forum" and said that he would "like once more to see the Senate well attended." But this is often impossible, he added, with 126 committees and subcommittees, many of which meet at the same time.

## WORLD BRIEFS

### Craxi to Call for Vote of Confidence

ROME (Reuters) — Italy's five-party government was expected to call a confidence vote late Wednesday to demonstrate the solidarity of Prime Minister Bettino Craxi's Socialist-led coalition after a year in office.

The vote would follow a two-day debate on a document reaffirming the government's economic policy aims, including curbing inflation and stabilizing public sector borrowing.

The document also said the government, made up of Christian Democrats, Socialists, Social Democrats, Republicans and Liberals, hoped to improve relations with the opposition Communists. Last week, a leading Christian Democrat, Giovanni Galiani, warned that any individual party alliance with the Communists could break up the coalition.

### Arabs Divided on Soviet Proposal

AMMAN, Jordan (UPI) — Jordan on Wednesday welcomed the Soviet Union's call for an international peace conference on the Arab-Israeli conflict, but an Egyptian official said Moscow would have to give the dispute a much higher priority.

The U.S.S.R. proposed the conference Sunday. The United States and Israel rebuffed the suggestion. Foreign Minister Taher Massi of Jordan said Wednesday he "welcomed the Soviet proposal" as "helpful toward the achievement of a just, peaceful solution."

In Cairo, Osama el-Bar, an adviser to President Hosni Mubarak, said "we do not oppose any Soviet role, on any level of participation." But he said Moscow could not be considered a full negotiating partner unless it made the Arab-Israeli issue "an essential part of Soviet policy."

### French Widow Wins Ruling on Sperm

CRETEIL, France (AP) — A court ruled Wednesday that a sperm bank must turn over to a 23-year-old widow the frozen sperm of her husband, which would enable her to bear his child.

The court avoided the issue of the rights of an eventual offspring. Under French law, a child born more than 300 days after the death of its mother's husband is illegitimate. The sperm bank had held that sperm, blood or other human substances could not be inherited and said it had no written proof that Mr. Parnelaix had intended it to be used to impregnate his wife.

Alain Parnelaix, 26, died of testicular cancer December 25, 1983, two days after his marriage. His widow, Corinne, 23, said she wanted to have his child and had the right to his sperm. He had deposited it with the sperm bank two years earlier, when she was his girlfriend, after he was warned that chemotherapy might make him sterile.

### S. Africa Closes Wellington Consulate

WELLINGTON, New Zealand (UPI) — South Africa has decided to close its consulate in Wellington instead of waiting for the new Labor government to carry out its pledge to shut it down, Prime Minister David Lange said Wednesday.

The consulate is South Africa's only diplomatic station in New Zealand. Mr. Lange had promised during the recent election campaign to close it to demonstrate disagreement with South Africa's institutionalized racial segregation, or apartheid. He called the closing "a very satisfactory outcome."

Sir Robert Muldoon, the former prime minister whose National Party was defeated in general elections July 14, said, "I think if we can have a very large embassy from, for example, the Soviet Union and not South Africa, it shows our moral standards in these matters are highly flexible."

### Panama to Take Control of U.S. Fort

PANAMA CITY (AP) — President Jorge Illfeca has announced that on Oct. 1 his government will take control of Fort Gulick, the base for the U.S. Army's School of the Americas.

The Panama Canal treaties, signed in 1977, stipulate that Fort Gulick is to revert to Panama on Oct. 1, 1984. But the treaties said the United States could continue operating the school, where about 1,900 soldiers from Latin America are receiving training, unless the two governments disagreed over the administration.

Mr. Illfeca, in his speech Tuesday, accused the United States of "a flagrant violation" of the treaties. The U.S.-controlled Panama Canal Commission recently decided to provide 1,000 of the 1,700 U.S. canal workers with a compensation plan, which will draw about \$4 million a year from revenues that normally would go to Panama's government.

### Depositors Besiege Filipino Bank

MANILA (UPI) — The Philippines' largest savings bank thousands Wednesday after a nine-day "holiday" and was besieged by thousands of depositors seeking to withdraw their money. They had to be held back by police and security guards.

Thousands of people lined up at the doors of 89 branches of the Banco Filipino Savings and Mortgage Bank as early as 4 A.M. despite a downpour. There were no arrests, news reports said.

Banco Filipino had closed July 23 following a wave of heavy withdrawals. Last week President Ferdinand E. Marcos ordered the Central Bank to make 3 billion pesos (\$167 million) available to Banco Filipino.

### Pipe Explodes Aboard Kuwaiti 747

ABU DHABI (UPI) — A pipe holding compressed air exploded Wednesday aboard a Kuwait Airways Boeing 747 jet at Dubai airport, engulfing the plane in smoke. Some of the 221 passengers were slightly injured getting off the plane, the airline said.

The Kuwait press agency KUNA said some passengers "were slightly injured as they left the plane and were treated on the spot." The plane had landed on a flight from Bombay and was about to take off for Kuwait.

### Heart Transplant Baby Critically Ill

LONDON (AP) — Twelve-day-old Hollie Roffey, the world's youngest heart-transplant patient, was in critical condition and undergoing emergency surgery Wednesday after developing an abdominal problem, a spokesman at London's National Heart Hospital said.

The spokesman said earlier in the day he did not know if the problem stemmed from the transplant surgery. The infant, born with the left side of her heart missing, received the heart of a three-day-old Dutch baby in 5½ hours of surgery on Monday.

The youngest previous heart transplant patient was a 2½-week-old baby in New York who died soon after the 1967 operation. The youngest survivor is a two-year-old girl who received a new heart in Ann Arbor, Michigan, in June and left the hospital last weekend.

### Burford Won't Accept New Position

SANTA BARBARA, California (AP) — Anne M. Burford, former head of the Environmental Protection Agency, said Wednesday that she would not accept an appointment as head of the National Advisory Commission on Oceans and Atmosphere. She had ridiculed the position as "a joke" and "a nonstarter."

The deputy White House press secretary, Larry Speakes, said President Ronald Reagan was notified of the Burford decision and had accepted it.

The announcement followed by less than 24 hours a nonbinding House vote of 363-51 opposing the naming of Mrs. Burford to the advisory post. She was to have been sworn in Thursday. The Senate had earlier approved a similar statement by 74-19, but the president said last week that the appointment would not be affected by the move.

### For the Record

The Upper Volta republic in West Africa will change its name to Bourkina Faso on Saturday, embassy officials said Wednesday in Washington. They said the new name means "the Country of Upright Men" and is made up of words from two of the country's approximately 50 languages. (UPI)

The launching of Japan's third weather satellite was delayed Wednesday by bad weather. Two earlier satellites, launched in 1977 and 1981, have failed to transmit vital data. (UPI)

A passenger train was derailed Wednesday en route to Edinburgh, injuring 12 people, two days after another train crash in Scotland killed 13 people. (UPI)

Bangladesh on Wednesday shut down the martial law courts set up after the March 1982 military coup as a step toward a return to democracy, it was announced. (AP)

The Reagan administration has resumed talks with a Cuban delegation on immigration issues, including the U.S. demand to return about 1,000 undesirable refugees to Cuba, a State Department spokesman said. The talks, which had broken off two weeks ago with both sides in disagreement, resumed in New York. (UPI)

Edén Pastora Gómez arrived in Madrid Wednesday on the first stop of a tour of European capitals. Mr. Pastora, the Sandinista Commander Zero who later turned against the revolution, said on arrival that he would ask the Spanish government to use its influence to help bring about "genuine" free elections in Nicaragua that would include opposition groups. (UPI)

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## Managua's Archbishop Says He Is Directing Anti-Communist Drive

By Philip Taubman  
New York Times Service

WASHINGTON — The archbishop of Managua told U.S. supporters earlier this year that he is directing efforts by his diocese to prevent the Nicaraguan government from imposing a Communist system, according to business executives who met with him.

During a visit to New York in May, Archbishop Miguel Obando y Bravo said his campaign was the best organized opposition in Nicaragua to Sandinist efforts to install a Marxist-Leninist society and he appealed for financial assistance, the executives said.

The archbishop's comments, and the extent of his organizing effort, indicated that his opposition to the Sandinist government is more intense and focused than he has made known in Managua. Archbishop Obando y Bravo, who opposed the former Nicaraguan leader, Anastasio Somoza, and supported the Sandinists' efforts to overthrow him, has moved steadily away from the government since it seized power in 1979.

The business executives who talked with the archbishop in New York reported that the opposition program he described included dividing his diocese into units for leadership and religious training.

The exact nature of the training and the type of assistance the archbishop requested were not clear. According to the executives, he said the training in Managua included courses on leadership, religion, health and nutrition. He said he lacked both money and equipment to conduct training for everyone who was disenchanted with the government.

Although Archbishop Obando y Bravo said his efforts were focused on preserving the sanctity of the church against government intrusion, the business executives said, he made clear that he hoped the Sandinists could be removed from power if they did not moderate their policies.

The archbishop said Tuesday that his activities were not political. In an interview in Managua, he said, "The mission of a pastor is not to overthrow governments." He said the training units he established in Managua were "pastoral cadres, not military cadres to overthrow governments."

"If we oppose the government, we oppose only the injustice, the violation of human rights" and the recent expulsion of 10 foreign priests, he added.

The Sandinists expelled the priests last month, accusing them of carrying out "intensive political work."

In April, Archbishop Obando y Bravo led a Good Friday procession through Managua that President Ronald Reagan later described as a "demonstration of defiance."

Nicaragua's Catholic Church is divided, with a small number of pro-Sandinist priests presiding over a "people's church" that does not respond to the direction of the nine bishops.

The archbishop, in the interview Tuesday in Managua, said he had

discussed the situation in Nicaragua with Pope John Paul II during a visit to the Vatican earlier this year.

When the pope visited Nicaragua last year, he criticized priests and other church officials who were actively involved in the government and politics. Several priests, including the foreign minister, Miguel D'Escoto Brockman, hold important posts in the government.

Reagan administration officials said that the United States has not given aid to church groups in Nicaragua in recent years and that the Central Intelligence Agency has not tried to influence Catholic opposition efforts. They said, however, that they were aware of the archbishop's work and called it effective and well-organized.

For the past three years, the administration has provided arms and financial assistance to Nicaraguan rebels. Congress earlier this year refused to give the CIA additional money for the rebels.

### ■ Effort on Aid Is Dropping

House Republican leaders decided Tuesday to give up any immediate effort to gain House approval for aid to Nicaraguan rebels, aides quoted by The New York Times said.

In a morning leadership meeting, the aides said, Robert H. Michel of Illinois, the minority leader, and other senior Republicans concluded that they could not win a vote on restoring money for the rebels in the intelligence authorization bill for the 1985 fiscal year that is scheduled to come up for floor debate on Thursday.

The House Select Committee on Intelligence cut all funding for the rebels out of the bill. The Reagan administration had requested \$28 million.

In a separate development, the State Department announced that U.S. and Nicaraguan representatives met in Mexico Tuesday to continue discussions that began last month. The meeting was the fourth round of talks that began after Secretary of State George P. Shultz made an unexpected visit to Managua on June 1.

■ Nobelists Assail Reagan  
Two American scientists, both Nobel Prize winners, criticized the Reagan administration for backing "mercenaries" in Nicaragua, United Press International reported from Managua.

"Since when does the U.S. employ mercenaries, these people called the *contras*?" George Wald, who shared a Nobel Prize in medicine in 1967, asked at a news conference Tuesday. "I consider it a disgrace."

The United States has provided about \$55 million in the past two years to rebel organizations fighting to overthrow the Sandinist government.

Dr. Wald and Linus Pauling, who won the Nobel Prize in chemistry in 1954 and the Peace Prize for work to promote a nuclear test ban treaty, arrived in Nicaragua Thursday on the Norwegian "peace ship" Falken, which brought \$2.5 million in supplies.

## Honduran Unit Opposes Salvadoran Army Links

By Anne-Marie O'Connor  
Reuters

TEGUCIGALPA, Honduras — A Honduran government commission has advised President Roberto Suazo Cordova to discontinue a U.S.-run training program for Salvadoran troops pending the solution of a border dispute with El Salvador.

The commission, composed of senior officials of the Foreign and Defense ministries, also recommended an end to joint maneuvers involving troops of the Salvadoran Army until the border question is solved.

Although diplomats here doubt that the commission report will result in a freeze on the training program, it reflected a growing feeling that Honduras was not getting enough in return for its cooperation with the United States.

The confidential report, made available this week, made no explicit mention of either the U.S.-run regional military training center at Puerto Castillo or the participation of Salvadorans in maneuvers.

The regional training center, a key element of U.S. military planning in Central America, was opened a year ago. It allows the United States to train Salvadoran forces without increasing the number of U.S. advisers in El Salvador.

Western diplomats saw the report's recommendations as an attempt to pressure the United States into helping negotiate a solution to the border issue, which involves small pockets along the frontier and dates to the 19th century.

Last month, Honduran authorities said their nation's military treaty with the United States, due to run out next year, is being reviewed.

### 11 Die in Bus Crash in India

The Associated Press

CALCUTTA — At least 41 persons were killed Wednesday when a bus carrying as many as 100 people leapt a fire and plunged into a canal, police reported.



Walter F. Mondale and Geraldine A. Ferraro, with Ms. Ferraro's mother, Antonetta, between them, launching their campaign with a rally in the New York borough of Queens.

## Jackson Says He Won't Try For Senate Appeal to Blacks Opens Mondale-Ferraro Drive

The Associated Press

CLEVELAND — The Reverend Jesse L. Jackson said Wednesday he has decided not to run for the U.S. Senate from South Carolina because of other "national responsibilities."

"After much thought, consultation, discussion and prayer, I have decided not to run for the U.S. Senate as an independent Democrat in the general election in the state of South Carolina in 1984," Mr. Jackson said in a statement prepared for a news conference at the National Urban League 1984 annual conference in Cleveland.

Mr. Jackson said his decision not to challenge Senator Strom Thurmond, a Republican, was due in part to what he felt was a "strong obligation to continue to stimulate voter registration and voter turnout" among minorities.

Mr. Jackson said that while he was not running for the Senate in South Carolina, he has moved his legal residency there and was "determined to put more of my time, energies and efforts into organizing and working in the South in the years ahead."

Mr. Jackson, 42, had faced a deadline of noon for deciding whether to run for the seat held by Mr. Thurmond, 81, for three decades.

Mr. Jackson had backed a challenge to Mr. Thurmond's seat by Cecil Williams. Mr. Williams, an Orangeburg photographer who lost the Democratic primary in June to Melvin Purvis, has since supported an independent bid by Mr. Jackson.

Mr. Jackson joined Mr. Williams in Washington last week to ask the Justice Department to investigate the Democratic primary. Mr. Purvis won a narrow victory over Mr. Williams, and withdrew two recounts.

John Courson, chairman of the Re-elect Thurmond Committee, said after hearing of Mr. Jackson's decision, "I think it would be awfully difficult for anybody to run against Thurmond."

He said that the senator enjoyed bipartisan support in the state and that it would be "almost a political impossibility to mount a credible campaign" at this date. The Thurmond campaign has been in operation for two years.

## Facilities for Retarded In U.S. Called Deficient

By Norman D. Atkins  
Washington Post Service

WASHINGTON — An inspection of 17 federally supported facilities for the mentally retarded showed that all of them operate under substandard conditions and nine with "major health and safety deficiencies," Margaret M. Heckler, the secretary of health and human services, testified before two Senate subcommittees.

Mrs. Heckler outlined a strategy for "harnessing" states to improve conditions and enforce federal laws. The chairman of both subcommittees, Senator Lowell P. Weicker Jr., a Connecticut Republican, said she should demand more money from Congress to help monitor institutions, which he said "can hardly pass even a minimal test of a civilized society."

In her testimony Tuesday, Mrs. Heckler said most of the facilities inspected in June relied too heavily on tranquilizers to "control" residents and did not meet minimum federal standards in providing therapy, individual attention, training, protection and supervision.

She said some deficiencies were life-threatening. Some facilities failed to meet fire protection codes and minimum standards of cleanliness, and many others did not meet requirements on nutrition, she said.

Calling the situation appalling, Mrs. Heckler said she had given the facilities 30 days to provide a "firm, detailed plan for correcting these

deficiencies within 180 days." If they don't, she said, she will order their federal funding to be cut off.

The federal government contributes about \$16,000 a year for each resident through Medicaid, the federal-state health care program for the poor, and states contribute about the same amount, Mrs. Heckler said.

Senator Weicker told Mrs. Heckler that she needs more federal employees and more funds to inspect and patrol institutions adequately.

Senator Weicker released a study of seven facilities for the mentally retarded prepared by the staff of the Senate subcommittee on the handicapped. It identified "abuse and neglect, lack of programming and inappropriate placement."

### Hansen Reprimanded For Financial Report

United Press International

WASHINGTON — George V. Hansen, a Republican congressman from Idaho who is facing a jail sentence for filing false financial disclosure forms, has been reprimanded by the House.

Mr. Hansen said Wednesday, one day after the 354-52 vote to reprimand him, that he considered the reprimand an "exoneration."

Mr. Hansen, 53, will not lose any privileges. The reprimand, a simple public rebuke, is the weakest punishment the House can impose.

## Austria May Purchase Soviet Missiles To Secure Revision of Neutrality Pact

By William Drozdiak  
Washington Post Service

VIENNA — Austrian military planners are considering buying Soviet anti-aircraft missiles to bolster the country's air defenses and relieve any anxiety in Moscow that the neutral state is becoming too closely linked with the Western military alliance.

The 1955 state treaty, which ended postwar Soviet occupation and imposed strict rules governing the country's military status, forbids Austria from joining any defense pact or allowing foreign bases on its soil.

It also bars Austria's military forces from deploying guided missiles, a prohibition that senior defense officials say is obsolete and must be lifted if the country is to develop a credible independent deterrent to ward off a foreign invasion.

Among the four powers that signed the state treaty, Britain, France and the United States are said to be sympathetic to Austria's need for improved air defenses.

But the Soviet Union, fearful that Austria might install a system effectively integrating the country into the North Atlantic Treaty Organization's air defense network, has repeatedly rebuffed appeals to alter the treaty.

Austria's defense minister, Friedhelm Frischenschlager, plans to visit the Soviet Union later this year and may try to win Moscow's consent by offering to buy Soviet-built anti-tank and anti-aircraft missiles, defense procurement officials said.

"The Finns have deployed Soviet missiles, so why not us?" a defense official said.

He dismissed the idea that the Soviets might hesitate to sell missiles that could be aimed at their own forces or those of their Warsaw Pact allies.

Austria's Socialist-Liberal government believes that the 1955 missile ban was applied when rockets were regarded mainly as long-range offensive weapons. The ban was adopted at British, not Soviet, demand.

Defense Ministry officials also argue that other signatories of pacts barring missiles — such as Italy, Romania, Bulgaria and Finland — later abrogated such restrictions and proceeded to deploy various kinds of missiles.

### 12 Million Live in Ghana

United Press International

ACCRA, Ghana — Ghana's first census in 14 years shows that more than 12 million people now live in the West African nation, about 3.6 million more than in 1970, the government announced Wednesday.

that if elected he would cut the budget to reduce deficits.

"The question is not whether the budget will be squeezed in 1985, but how," he said. "The question is not whether taxes will be raised in 1985, but how they'll be raised and who will pay what."

Ms. Ferraro devoted much of her short speech to a call for a strong civil rights program.

"To those who seek to reopen the debate over segregated schools and minority job opportunity and the right of every citizen to vote, to them we say those debates are over," she said.

### ■ Southern Campaign Opens

Mr. Mondale and Ms. Ferraro launched their campaign in the South Wednesday at Jackson, Mississippi, in speeches stressing "a better future," patriotism, family values and equal opportunity. The Associated Press reported.

Mr. Mondale said he expected Ms. Ferraro to boost the Democratic ticket's chances of success in the South.

Mr. Mondale's appearance, along with the vice presidential nominee, Representative Geraldine A. Ferraro of New York, was the highlight of the opening day of a three-day campaign kickoff that was to take the Democratic candidates from Ms. Ferraro's home base in the New York borough of Queens to Mississippi for an official launching of the campaign and then to Texas.

Mr. Mondale continued the "new realism" theme he sounded during his acceptance speech in San Francisco almost two weeks ago, stressing a growing economy as the route to more jobs and again challenging Mr. Reagan on whether higher taxes would be needed next year to help reduce the federal budget deficit.

After a joint rally in Ms. Ferraro's home district of Queens, Mr. Mondale and Ms. Ferraro went to Cleveland with a message that echoed the "no welfare, just our share" theme of the Reverend Jesse L. Jackson's campaign.

Mr. Mondale, although not as emotional an orator as Mr. Jackson, was interrupted by applause more than 15 times by the overwhelmingly middle-class league members.

He told the audience that millions of blacks had moved from poverty to the economic mainstream because their parents "worked impossible hours sometimes at intolerable and even insulting jobs so there could be food on the table and books on the shelves and hope in the hearts of their children."

"No one in this room is saying that America should be about handouts. It's about hard work," he said. "No one wants a free ride but everyone wants a fair chance."

The Democratic candidate's reception was boosted by the fact that Mr. Reagan declined an invitation to address the group in person and because the league's former president, Vernon E. Jordan, enthusiastically endorsed Mr. Mondale Monday in a speech in which he sharply attacked the president.

With the candor of his bold acceptance speech pledge to raise taxes, Mr. Mondale told the audience

Austria has been compelled to adhere to the letter of the treaty "because it is the basis of our existence as an independent state," an official said. "We are the only country that managed to get rid of the Russians. But we would leave ourselves vulnerable to another occupation if we violate the treaty."

Austria's military doctrine proscribes military activity or flights beyond its own borders or airspace, thus complicating the tasks of defending the eastern half of the country, which is exposed to Warsaw Pact forces based in Hungary and Czechoslovakia.

"The need to intercept aircraft only within our borders means we need something extremely fast and efficient," the defense official said. "And missiles would offer the best protection."

In the absence of an anti-aircraft missile force, Austria intends to upgrade its air defenses through a

major purchase of modern fighter planes by the end of this year.

Defense specialists say the country would require as many as 100 new planes to provide genuine air defense. But economic problems have forced the government to cut the number to 24, which the military leadership says is the absolute minimum it can accept.

During a recent visit to Washington, Mr. Frischenschlager and other defense officials were favorably impressed by the advanced F-3 fighter built by Northrop Corp.

The Austrians are also considering the French-built Mirage-3 or the Swedish J-35 Dragon.

A key factor in a purchase will be the response Mr. Frischenschlager receives in Moscow. If he gains Soviet agreement to the revision of the state treaty in exchange for buying Soviet-made missiles, Austrian officials suggest, Washington may go along with the deal if Austria purchases U.S. planes.



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# Herald Tribune

## No News of the Sakharovs

Andrei Sakharov and his wife, Yelena Bonner, were last seen alive by a friend on May 4, in a fleeting encounter on a street in Gorki. Before the police intervened, Dr. Sakharov said he was on the third day of a hunger strike in protest against official refusal to let his wife seek medical treatment abroad. Since then there has been no independent word of the couple — only a few sentences from Tass and other official sources insisting that the eminent scientist and dissenter is in good health.

In the Soviet Union, this appalling secrecy and silence is routine. Unable to sustain morale and reputation with enough genuine achievement, state propagandists connect its facade: a society in which active leaders are always right, bad news is negligible and troublemakers get only what they deserve.

## Hope on the Debt Front

Signs of hope and a return to growth are now visible in both Latin America's most heavily indebted economies. Brazil and Mexico are the two crucial cases in managing the perilous accumulations of Third World debt. If either of them had collapsed under the strain, the disaster would have spread rapidly and inevitably. If both of them now recover successfully, any collapse or default elsewhere can be contained without wider danger to the region or the international monetary system.

Both countries have been through dire recessions in the past several years, for reasons originating in 1979 in the enormous oil price increases. Brazil, heavily dependent on imported oil, was hurt first by oil costs. Then, as governments throughout the world struggled to restrain oil-fueled inflation, interest rates rose and Brazil, borrowing heavily to finance development, was hurt again.

## The Gloom Is Farfetched

Just as fear of inflation ebbs, economists are discovering a perverse new demon: deflation. Falling world prices for metals, food, transportation and dozens of other goods and services, some analysts argue, spell hardship for many and threaten hard times for the rest of us.

when they lose. And since low export prices reduce their ability to service debts owed to U.S. banks, it may become America's loss too. Probably the most disturbing source of price moderation has been the strong dollar — more precisely, the convergence of forces that has overvalued the dollar. Big budget deficits have forced U.S. interest rates up. The resulting foreign demand for U.S. securities has increased the exchange value of the dollar, making it easier for foreign manufacturers to compete with American's.

## Other Opinion

### A Medal for Ueberroth, Too

The Montreal Games cost \$1 billion (of 1976 money) and as a result many cities, including Glasgow and London, scrapped plans to bid for the Olympics. Now Los Angeles has proved that such profligate spending is not necessary: The budget is \$500 million (of 1984 money), considerably less than half Montreal's. How has it been done? By taking the organization away from government and placing it in the hands of private individuals — a syndicate of businessmen who picked a chief

executive with a brilliant record and told him to get on with the job. His name is Peter Ueberroth, and when these Games are over the Olympic movement should strike a medal for him and inscribe it with the words: "The man who saved the modern Olympic Games."

## FROM OUR AUG. 2 PAGES, 75 AND 50 YEARS AGO

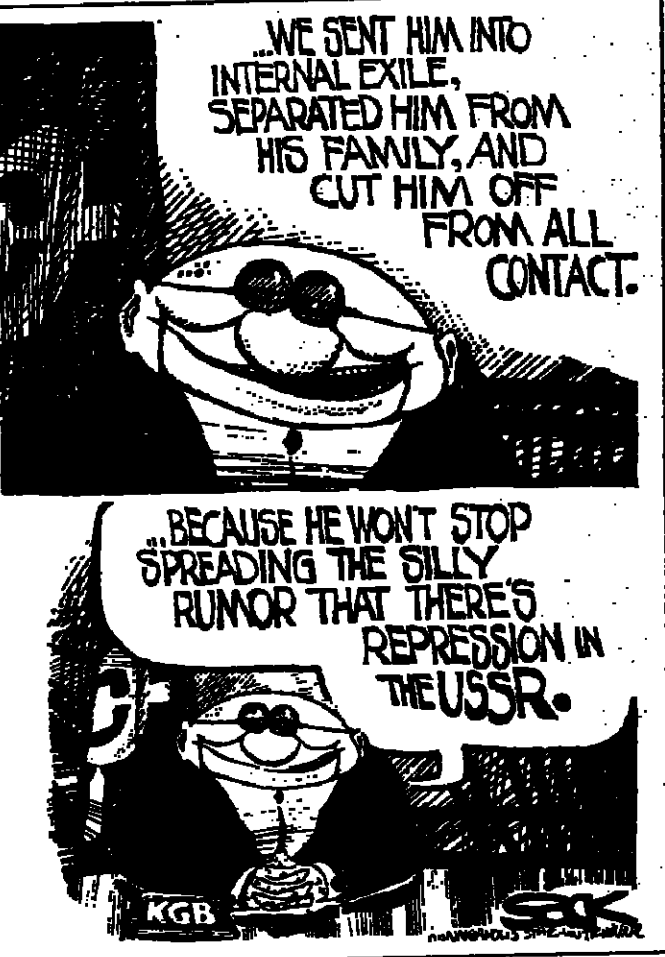
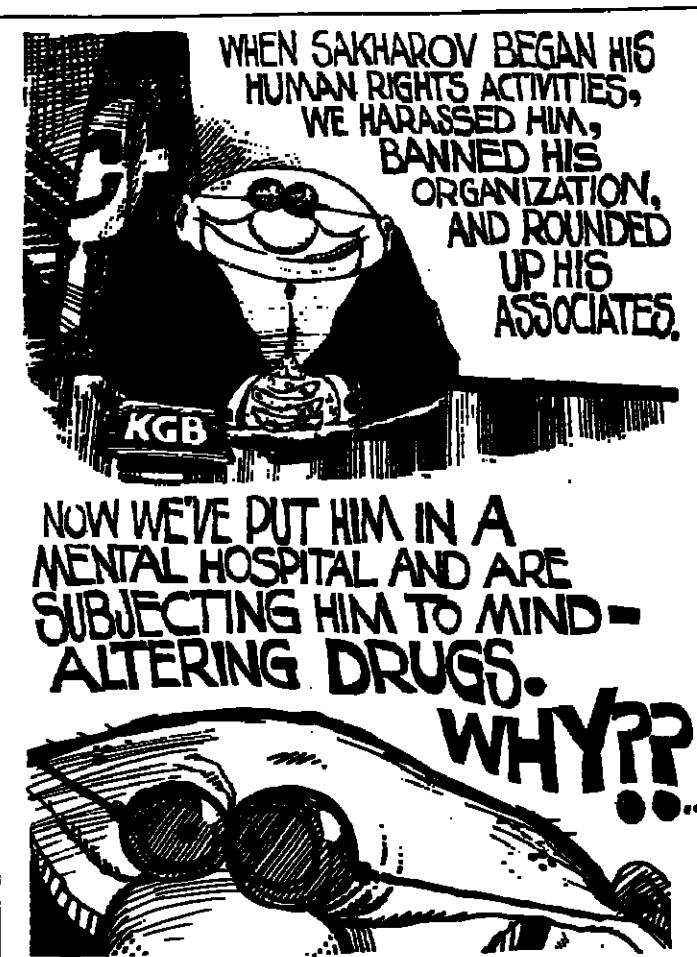
### 1909: Faber Wins Tour de France

PARIS — The seventh annual cycle endurance race, the Tour de France, organized by the "Auto," ended (on Aug. 1) with the return of 60 out of the 150 competitors who had left Paris on July 5. A large and enthusiastic crowd was present at the Parc des Princes, where the race finished, flowers were thrown at the men by admiring women, and cheering spectators lined the route of the final stage, a distance of 250 kilometers. An idea of the pluck, patience and enduring power needed in such a competition is furnished when it is recalled that the total distance covered was no less than 5,000 kilometers. The victor of the Tour de France, which comprises fourteen stages, according to the general classification, is François Faber.

### 1934: Hayti's Occupation Is Ending

PORT-AU-PRINCE, Hayti — After 18 years of occupation by the United States, during which time American forces virtually dominated the country, the command of the army and all police forces was turned back to the government of Hayti (on Aug. 1). A few detachments of American marines still remain on the island, but they will be withdrawn within the next two weeks. United States marines were rushed to the Republic shortly after July 1916, when bloody political uprisings threatened the country's sovereignty. At that time, three revolutions within a short period had shaken the Republic and the situation came to a climax when President Guillaume Sam, after fleeing from office, was seized in the French legation and killed by an infuriated populace.

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## Israel After Its Elections: A Dangerous Impasse

By Philip Geyelin

WASHINGTON — By voting itself into a political gridlock, Israel has raised a serious threat to U.S. interests in the Middle East — including the paramount American interest in Israeli security.

The gravity of it all can be measured best by an instant recap of Israel's political history. For the first 20 years, Mr. Avineri would argue, the big issues had to do with nation-building, a process that gave the edge to the social democrats of the Labor Party. Then came the Six Day War and an issue of "territorial" compounded by the developing Arab-Israeli conflict over the fate of the Palestinians under Israeli occupation. The effect was to transform Israeli politics by transforming the debate in favor of the opposition Likud bloc of Menachem Begin.

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Some see a resolution in a government of "national unity." An economist on the AEI panel, Ezra Sadan, who was formerly director general of the Israeli Ministry of Finance, thinks it is inevitable. He predicts that the two big parties, either by consent now or under the force of events later, will have to join hands before taking the perilous plunge into the austerity measures that are urgently needed to deal with 400-percent inflation and a yawning balance-of-payments deficit. Mr. Sadan measures the pain of austerity in a near-doubling of unemployment and a \$1.5-billion reduction in total government spending, including a 10-percent defense cutback.

## A Draw, but Victory for Polarization

By Amnon Rubinstein

TEL AVIV — The next Knesset is going to be a hung parliament — the result of a national draw in which there was no winner.

Despite the Lebanese quagmire and the economic malaise, the Labor Party failed to win. In fact it has lost three seats compared with the 1981 results. Contradicting public opinion polls and spurning the exhortations of the press, half of the voters opted for Likud and its allies to the right.

What went wrong? The elections took place in mid-July, when more than 100,000 Israelis — mostly Labor supporters — were out of the country on vacation. Labor's campaign was a lackluster affair; the party's leader, Shimon Peres, simply does not excite voters. Above all, a substantial fraction of Israeli Jews — Sephardim from Moslem countries — vote instinctively, almost tribally for the right. Likud is their political home.

Whether this voting pattern stems from resentment against the Labor governments of 1948 to 1977, or from the Sephardim's instinctive identification with a nationalist, traditionalist, anti-Arab and anti-intellectual approach to Israel's problems, one fact ought to be remembered: Under Likud, Israel's standard of living and private consumption has risen sharply. For many, Likud is thus identified with prosperity, while the austerity of the country's formative years is associated with the Labor Party.

## Bureaucracy: Quixote Vs. the Armadillo Curl

By Jim Anderson

WASHINGTON — The U.S. State Department has been compared to a large, stranded jellyfish; or to a fudge factory. To Marty Miller's mind, a glacier might be a better simile — moving, but so painfully slowly that the movement is imperceptible.

Mr. Miller, who had known Secretary of State George Shultz when both were at the Treasury, decided on a frontal attack. At a slack time of the year, he asked for an appointment to see Mr. Shultz, who remembered him as a live-wire salesman of U.S. defense bonds. Mr. Miller came prepared, with a thick briefing paper on the whole episode. He handed it over to Mr. Shultz, who promised that something would be done about it.

Indeed, the greatest failure of the Likud government — the tripling of Israel's foreign debt and the squandering of its credit — is seen as a virtue by many Likud supporters. The saddest thing about these elections is the growing polarization that they reveal. Many young Israelis who moved to the right of Likud voted this time for the extremist Tehiyah party. At the other end of the spectrum, the Communist-led Rakah party, which supports the Palestine Liberation Organization, has now been joined in the Knesset by a new and similarly extremist Arab-Jewish Progressive List for Peace; together the two parties now total six seats.

It is somewhat encouraging that two small parties at the center — the Civil Rights Movement and Shinui — doubled their representation from three to six. Both are committed to fight the racist tendency on the right. But the growing polarization deeply worries many Israelis. For one thing, polarization weakens the country, which still has to fight for its survival in an ocean of hatred and rejection. It also reinforces divisions based on education and social class.

## A Referendum Against Compromise

BEFORE the election, polls showed that 54 percent of Israelis would prefer it if their country had no Arab residents. Even more were opposed to any compromise over the territories occupied in 1967. And after the election such was the effect of a referendum and that it signaled a general Israeli unwillingness to seek peace with the Arabs through negotiation and compromise.

So Mr. Kahane typifies a new Israeli expansionist trend — tough, determined to hold onto what it has and prepared to outrage world opinion or fight to follow that course. It is an Israel that has little in common with the state established 36 years ago, with its ideals of service and cooperation, fraternity and equality, based on the kibbutz movement.

— John Bullock in The Sunday Telegraph (London).

— John Bullock in The Sunday Telegraph (London).

## LETTERS TO THE EDITOR

### A Swap for Sakharov

In response to the report "U.S. Rejects Soviet Charges" (July 2): The report states that four Nobel Prize winners from the Soviet Union wrote a letter to President Reagan saying that the days of Leonard Peltier, the American Indian activist, are "numbered" and urging Mr. Reagan to "show the humaneness that you want to see in others."

Since the interest of the Soviet Nobel Prize winners is a diversion in response to international protests against the treatment of the Soviet dissident Andrei Sakharov, I suggest that the Soviet authorities accept an exchange. Let the American government send Mr. Peltier, who was convicted in 1977 of the murder of two

FBI agents, to Moscow, while the Kremlin releases the Sakharovs. Something similar happened in 1976 when another Soviet dissident, Vladimir Bukovsky, was exchanged for Luis Corvalan, the leader of the Communist Party in Chile.

never occur to our liberal economists, handicapped as they are by their blinders of Keynesian dogma, that President Reagan's supply-side programs are in fact beginning to operate as was intended.

## Supply-Side at Work

Regarding the editorial "After Election-Year Booms" (July 25): This Washington Post editorial states: "It was the collapse of the original Reagan supply-side program that resulted in the unintended but gigantic federal deficits that are currently driving the upswing in consumer spending." Of course, it would

never occur to our liberal economists, handicapped as they are by their blinders of Keynesian dogma, that President Reagan's supply-side programs are in fact beginning to operate as was intended.

As economic activity continues to grow, confounding and puzzling the doom-peddling liberals, increased tax revenues will necessarily be generated, and the deficits diminished — unless we suffer the misfortune of Walter Mondale's election in November. Mr. Mondale's monster coalition of "increase social program" groups would form a long line with both hands out, demanding payment for their votes. There is no deficit reduction in that direction.

RICHARD G. HARVEY Jr., Racine, Wisconsin.

## ASEAN's 'Dominoes' Are Erect

By Don Oberdorfer  
This is the first of two articles.

WASHINGTON — Nearly a decade after the fall of Saigon, an event that was supposed to endanger and perhaps engulf them, the non-Communist "dominoes" of Southeast Asia are thriving as never before.

As Secretary of State George Shultz learned on his recent tour, Southeast Asia is increasingly prosperous, at ease about its current reality and confident in its future.

"The Pacific is increasingly where the action is," Mr. Shultz said in Honolulu after a tour which included meetings with the foreign ministers of all six countries of the Association of Southeast Asian Nations and visits to three of the countries — Indonesia, Malaysia and Singapore.

In the last 10 years, as Mr. Shultz noted, the ASEAN countries have grown at an average of 7 percent annually after inflation, or about twice the global average. With the notable exception of the Philippines, which is in serious trouble politically and economically, these countries appear to be stable and steady.

The fears of a decade or more ago that the United States would be isolated, or even defeated in Southeast Asia after its defeat in Vietnam turned out to be exaggerated. The Americans did not go all the way home. And worries about China turned out to be unfounded, as Beijing confronted the Soviet Union and Vietnam and made common cause with the capitalist world.

The roles of external powers that have been important in Southeast Asia for centuries have been shifting. The result, at least for the moment, is a combination of three political and economic factors that provide both security and economic stimulus for the ASEAN countries.

● The U.S. fleet, U.S. military bases and the U.S. nuclear umbrella checkmate the forces of the other global superpower, the Soviet Union, which has projected itself into the region through a naval buildup and the use of bases in Vietnam. In addition, the United States provides modern weaponry and international political leadership and export markets of importance to the ASEAN nations.

● Japan has become the foremost trading partner and principal source of investment capital and foreign aid for the ASEAN nations. The current prosperity of Southeast Asia is directly related to the remarkable economic performance of Japan.

● China has provided the military muscle on the ground to block Vietnam from expanding or even consolidating its hold in Cambodia. Moreover, the reversal of Chinese foreign policy has dried up Beijing's support for the local Communist insurgents that previously bedeviled non-Communist Asia. Today only the Philippines has a viable insurgent movement, and that is fueled by the inadequacies of the government more than by outside support.

In recent years, therefore, the two capitalist giants affecting Southeast Asia, the United States and Japan, have proved to be beneficial influences. The Communist giant with the most direct effect on the region, China, turned out to be more of a de facto partner than a threat — although some of the ASEAN countries, as Mr. Shultz discovered in his talks, remain apprehensive about the long-term Chinese presence.

Most of the ASEAN countries still suffer from low per capita incomes and extensive poverty that is only beginning to be reduced by economic growth. Modernization and urbanization bring their own woes. The gap between the affluent and the poor is growing in troubling fashion, especially in burgeoning cities.

Leaderships and systems combining authoritarianism with elements of democracy seem to be in place on a stable basis in all the ASEAN countries except the Philippines.

There the long rule of President Ferdinand Marcos seems to be approaching its end amid bitter divisions within influential groups and the society at large, creating conditions for a perilous transition. Neither America nor Vietnam nor any other outside power has much of a role in this present, although future events in the Philippines will be important for the United States (which has major military bases there) and for Southeast Asia generally.

Even the Philippines has had its economic growth spurt recently, and the steady pace of development in the region has been impressive.

"In the long run it is hard to beat ASEAN," said Seiji Naya, director of the Resources Systems Institute of the East-West Center in Honolulu, who used to be chief economist for the Asian Development Bank. Referring to their free-market orientation, emphasis on trade, outward-looking view and positive attitude toward foreign investment, Mr. Naya said: "These are 'A' students for the United States and Japan."

The Washington Post.

## Labor Policy Stat

## Angola Attack

## Imm Mule

## Al Bred





Dr. William C. DeVries holding a prototype of the artificial heart used in the world's first implant.

## Hospital Firm Gets Artificial Heart Pioneer

By Victor Cohn  
Washington Post Service

WASHINGTON — Dr. William C. DeVries, the surgeon who implanted the world's first artificial heart, was hired away from the University of Utah Tuesday by a commercial hospital chain that promised to pay millions of dollars for the care of his patients.

Humana Inc., the third largest U.S. investor-owned hospital corporation, persuaded Dr. DeVries to join its showcase heart institute in Louisville, Kentucky, thus acquiring the services of the only doctor authorized by the U.S. Food and Drug Administration to implant artificial hearts.

"I will have more time for research in a field I love," and less red tape trying to get approval for future operations, Dr. DeVries said. As a part of the package, Humana promised to pay the hospital bills of up to 100 future heart recipients at a cost that will run into millions of dollars.

The hospital corporation also pledged to work with Dr. DeVries and his new partner, Dr. Allan Lansing, a leading Louisville heart surgeon, in developing "the world's first program offering patients either an artificial heart or a heart transplant."

Humana represents the segment of the hospital industry that is often assailed by other hospital corporations with no investors, which do not have to show a profit. This move, however, could make Humana a center of heart research, possibly an answer to the accusations that its medical care must always show a profit.

In Salt Lake City, a source said "a rather irritated" Dr. DeVries had to raise money to pay part of the \$300,000 hospital and laboratory bill of Dr. Barney B. Clark, the dentist who received the first artificial heart in December 1982. He lived for 112 days and died of an infection.

In the following months, Dr. DeVries said, he became frustrated trying to get both his institution,

the University of Utah Medical Center, and the Federal Drug Administration to approve the implantation of another artificial heart. Dr. DeVries finally won approval, and the hospital has been seeking another patient.

"I don't like to see people die while I wait for the red tape to be cleared up," Dr. DeVries said Tuesday.

Dr. DeVries will move his artificial heart program and part of his team to Louisville. He will work there with Dr. Lansing's team of 40 technicians.

He must reapply for Federal Drug Administration approval for a second artificial heart implant, since the approval he received was for a Utah Medical Center operation.

His new income is a matter of conjecture, but one hospital official conjectured that Dr. DeVries might move from a university salary in the \$100,000 range to an income around \$300,000.

Dr. Robert Jarvik, president of Symbion Inc., which made the Jarvik-7 heart implanted into Dr. Clark, said he hopes to have future implants done at Humana, as well as in Utah.

Dr. Willem Kolff, a pioneer in artificial organs and head of the University of Utah artificial organ division, said, "This will cause only a temporary delay in our program."

In his formal statement, Dr. DeVries said, "I have only the fondest feelings for the University of Utah. We made great progress. We had struggles and we had setbacks."

He said the decision to leave had been a difficult one.

Dr. Don Detmer, vice president for medical research at the University of Utah, blamed the departure of Dr. DeVries on "a phenomenon" taking place in academic medical centers across the country: the fact that the universities do not have the resources to support many of the programs as fully as they would like.

## Walesa Calls For Reunion Of Solidarity

Meets Former Deputy, Just Freed From Prison

United Press International

WARSAW — Lech Walesa, the leader of the outlawed Solidarity union, and Andrzej Gwiazda, his former deputy, met for the first time since the 1981 imposition of martial law Wednesday and said a meeting of Solidarity's leadership was indispensable.

Mr. Walesa met Mr. Gwiazda, who was freed last month under a government amnesty for political prisoners, at the home of a pro-Solidarity priest, the Reverend Henryk Jankowski, in Gdansk.

"We both agree that a meeting of the 12 Solidarity presidium members and the union's national committee should take place as soon as everyone is released under the amnesty," Mr. Walesa said later.

He discounted disagreements between the two that resulted in Mr. Gwiazda's failing to be elected as the union's leader because of his militancy. "We may have our differences, but we will not permit our enemy to drive a wedge between us," Mr. Walesa said.

Their call for an early meeting of the union's leadership was met with caution by Solidarity members released under the amnesty who would be cautious for fear of being reimprisoned. Under the amnesty declared July 21, those released risk being sentenced to even longer jail terms than the original one if they commit the same crime.

A government spokesman, Jerzy Urban, refused Tuesday to say whether the authorities would try to prevent a meeting of the Solidarity leadership. "It depends whether a crime is committed, but I cannot comment on meetings which have not taken place," he said.

Mr. Walesa, looking rested after a month's vacation from the Lenin Shipyard in Gdansk, said Poland remained in a state of crisis.

"The situation in the country is bad," he said. "The workers' morale in plants is low, organization of work is neglected and ideological issues are taking the upper hand over productivity."

Both Mr. Walesa and Mr. Gwiazda said Solidarity's tactics would not include street demonstrations. "These make no sense and have brought negative results," Mr. Gwiazda commented.

The union's underground movement has appealed for a continuation of activity despite the amnesty, saying there can be no real amnesty until the union is legally recognized by the government.

### Warsaw Uprising Marked

Poland commemorated Wednesday the 40th anniversary of the Warsaw uprising against the German occupation during World War II. Reuters reported from Warsaw, about 150,000 civilians were killed or wounded in the uprising.

A statement from Solidarity's underground commission accused the authorities of trying to manipulate the meaning of the uprising. "The Communists want the national memory to be scarred with the mark of hopeless resistance and political stupidity," the statement charged. "They want to see us down-trodden, broken in contemplation of defeat and deprived of hope. They want Poles to have their heads bowed low."

Several thousand Solidarity supporters marched peacefully Tuesday night through Warsaw and laid a wreath at the tomb of the unknown soldier.

## West Faces Clash Over World Debt

The Associated Press

VIENNA — A conference on North-South economic problems begins Thursday, with Third World debt and aid policy likely to be the major issues.

The 17-day session, the fourth General Conference of the United Nations Industrial Development Organization, will cover world industrial restructuring and Third World science and technology.

The UN secretary-general, Javier Perez de Cuellar, will open the Vienna conference, at which the Soviet Union is expected to blame Western countries for the Third World's plight. For their part, the United States and some other Western governments maintain that developing countries can best help themselves by establishing a more receptive climate for foreign investment.

Developing countries have accused the West of increasing protectionism and other discriminatory trade practices.

Third World debt is not a formal agenda item at the meeting. But many developing countries, whose debts total about \$800 billion, are expected to raise the issue.

The last similar conference was in 1980 in New Delhi. It ended with a call for rich nations to help set up a \$300-billion fund to aid developing countries, but the developed countries did not promise to implement the resolution.

An "action program" adopted in Lima, Peru, in 1971 called for the share of developing countries in the world's industrial production to reach 25 percent. But, according to Industrial Development Organization figures, their share rose to only 10 percent in 1975 and an estimated 11.9 percent last year.

At the Vienna conference, Soviet bloc delegates are likely to blame the West for lack of economic growth in the Third World.

## U.S. Farm Mule Forgets, Maybe, It Can't Breed

The Associated Press

CHAMPION, Nebraska — A mule on a farm near here apparently has given birth, a researcher said Tuesday, adding that it is believed to be the first verified birth for the sterile animals, a cross between a male donkey and a female horse.

"As far as I'm aware, it's the first documented case of mule fertility," said Dr. Oliver Ryder, a geneticist at the Center for the Reproduction of Endangered Species at the San Diego Zoo in California.

He said preliminary blood and chromosome tests confirmed the birth of the mule colt, which occurred July 6 at the farm of Bill and Oneta Silvester in southwestern Nebraska. The colt, named Blue Moon, apparently is the offspring of Krause, a female mule, and Chester, a male donkey.

## Labor Proposes Non-Nuclear Policy for Britain

Policy Statement Also Urges NATO to Ban First Use of Atomic Weapons

By Michael Gedler  
Washington Post Service

LONDON — The Labor Party, whose controversial and sometimes ambiguous views about nuclear defense were widely felt to have hampered its election chances last year, has produced a policy statement that party officials say commits it uncompromisingly to a non-nuclear policy for Britain.

The 52-page statement has not been officially published but has already become the target of criticism in the Conservative govern-

ment.

The Labor statement pledges the party, if it assumes office, to "immediately cancel" Britain's £10-billion (\$13-billion) plan to build four U.S.-designed Trident missile-firing submarines.

Among other major points, the statement:

• Calls for the immediate "de-commissioning" of Britain's fleet of four older Polaris nuclear missile submarines of these vessels have not been phased out of service through negotiations with Moscow.

• Proposes the removal of all nuclear weapons in Britain, including those the United States has aboard bombers and newly installed cruise missiles, and the removal of nuclear weapons based with British troops in West Germany.

• Advocates that the North Atlantic Treaty Organization adopt the strategy of "no first use of atomic weapons" against an aggressor under any circumstances.

In an effort to avoid charges that Labor is simply against defense, the new statement emphasizes strong support for NATO, for maintaining the key military command positions held by Britain in the alliance and for strong conventional defenses against the Soviet Union.

But it takes the view that nuclear weapons cannot be used to defend the country and that nuclear deterrence is a "dangerous or suicidal" approach for Britain.

The statement was approved without opposition last week, officials said, at a meeting of the party's National Executive Committee.

Although the Labor Party has espoused strong anti-nuclear views in recent years, party officials acknowledge that in last year's general election the party's position was confusing and did not appear credible to many voters.

In essence, the new statement is a gamble by Labor that it will benefit from greater clarity and consistency and perhaps take advantage of trends in Britain that, as reflected in public opinion polls, show most people oppose U.S. cruise missiles and many oppose Trident.

But polls also show that the British generally want to retain their independent nuclear deterrent and remain wary of actions that would separate them from NATO.

Michael Heseltine, Britain's defense minister, describes the new Labor policy as one "that would offer the Soviet Union the single greatest foreign policy coup in its long history of military expansion."

He said it would explode the co-

hesion of NATO and alienate the United States and he accused the party chairman who engineered the new statement, Neil Kinnock, of having made "a sellout without precedent."

Leon Brittain, the home secretary in the cabinet of Prime Minister Margaret Thatcher, accused Mr. Kinnock of "trading Britain's security for his own party's unity."

David Owen, the leader of the smaller opposition Social Democratic Party, has also challenged the reported dedication to strong conventional forces as depicted in the Labor statement and by Mr. Kinnock. "Mr. Kinnock's deception over defense appears to know no bounds," he said.

## Surrogate Mother Refuses to Yield Infant to Father

United Press International

SYDNEY — A surrogate mother has decided to keep the child she had by artificial insemination, setting off a battle over parental rights with the natural father, a Sydney newspaper has reported.

"Last Wednesday we thought we were taking delivery of the little chap," the father told The Sydney Morning Herald. "Then on Thursday evening the mother rang me to say she was keeping him. It has his wife harder than me. It's a disaster, an absolute disaster."

The newspaper said the unnamed surrogate mother from the central coast area north of Sydney gave birth to a boy on July 22 but decided to keep him and deny visiting rights to his natural father.

Under a new Australian law on artificial conception, which took effect last Wednesday, paternity in such cases belongs to the husband of the surrogate mother, not the biological father. The biological father, who was also not named in the article, said he had asked lawyers to consider legal action to allow him access to the child.

## Angolan Rebels Report Attacks on 2 Vessels

By Don Oberdorfer  
Washington Post Service

WASHINGTON — Rebel forces have attacked two ships in the harbor of Luanda, the capital of Angola, according to reports from the area and in Washington.

Reports also indicate that both military action and diplomacy in southern Africa have entered a period of unusual intensity.

In a communiqué issued in the U.S. capital, the rebel forces of the National Union for the Total Independence of Angola, or UNITA, said they had sunk a Soviet freighter loaded with "merchandise" and heavily damaged a Cuban ship carrying armored cars and other military equipment in Luanda's harbor Friday night.

The communiqué called the attacks "a new stage of UNITA fighting."

The Angolan official press agency, ANGOP, in a dispatch Tuesday, acknowledged "a sabotage action" against two ships at the Luanda port.

However, the press service identified the ships as an Angolan and an East German vessel carrying food and said the attacks occurred Sunday. The agency reported that both vessels had been severely damaged, but it did not indicate that either had been sunk. It attributed the damage to U.S.-made mines.

State Department officials said they had received reports of the attack in the harbor but no definite word on the identity of the ships.

On July 12, UNITA reportedly attacked an oil pipeline that is part of a Gulf Oil Corp. operation in the northern Angola province of Cabinda. It was the first known UNITA attack in that area and the first against a target owned by a U.S. company.

There were widely varying reports of the number of dead and wounded and the severity of the damage. State Department officials said it seemed clear the attack had occurred, but it said that no Americans were believed to have been harmed.

A second communiqué issued by UNITA warned that multinational corporations in Angola should expect "big surprises in the next five months." A UNITA spokesman, Marcus Samendo, said the threat was aimed at Gulf, whose Angolan operations are crucial to government finances.

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## SCIENCE

## Scientists Studying Ways to Cut Risks as Deaths, Damage Rise in Natural Disasters

By Erik Eckholm  
New York Times Service

THE death toll caused by the world's natural disasters — floods, droughts, earthquakes, hurricanes and volcanic eruptions — is on the rise.

A new report, analyzing data from the U.S. government and the International Red Cross, found that in the 1970s the average number of natural disasters recorded per year was 75, a 50 percent increase over the previous decade. But, comparing the same two decades, the estimated deaths caused by these events climbed fivefold, to 14,000 per year. During the average year of the 1970s, disasters caused disruptions in the lives of an estimated 44 million people.

Many relief officials are beginning to feel that emergency assistance today is "like trying to bandage a wound that is constantly growing," as expressed by Anders Wikman, secretary general of the Swedish Red Cross, which sponsored the study.

The increase in casualties, occurring in Africa, Asia and Latin America, is attributed to three main factors: Deforestation, erosion and other ecological stresses are reducing the land's resilience to climatic extremes; poverty is forcing more people to live in disaster-prone areas, and the population is growing rapidly.

While acknowledging that improved reporting may account for some of the rise, the authors of the Swedish report argue that the trends revealed are "so marked that they may be considered as strong, fairly reliable indications." Ecologists and geographers who have studied the issue agree that disaster casualties are climbing, as are numbers of economically marginal people and the stripping of forests in developing countries. They add that preventive measures that could reduce the impact of disasters are not receiving adequate priority.

The rise in death and destruction from disasters appears to be continuing. Numerous floods and droughts, especially in Latin America, made 1983 "a banner year for disasters," in the words of one development official. Drought-related famines are unusually widespread in Africa this year.

The problem is not that nature has become more mercurial, according to seismologists and climate experts, but that the number of vulnerable people has increased. Earthquakes and unusual weather are not labeled disasters unless people and property are adversely affected.

Throughout the Third World, as prime farmland becomes scarce, more rural families are forced to scratch a living in drought-prone areas, in flood plains and on steep

hillsides where the risk of landslides is high. Substandard housing is built for the increasing numbers of urban poor on the only plots available — on the sides of ravines, along known geological fault lines and in low-lying areas that frequently flood. Heavy storms, meager rainfall or modest earth tremors can thus cause far more damage.

At the same time, ecologists argue, the degradation of forests, pastures and soils has led to increases in the frequency of floods and droughtlike conditions. The deforestation of hillsides, mainly a result of the spread of farming, lessens water runoff off slopes rather than being absorbed for later percolation. The result is an increase in flash floods in the rainy season and water shortages in later months as springs and streams dry up.

In many semiarid zones, a reduction of plant cover and organic matter in the soil because of overcropping, overgrazing and tree-cutting has meant a decline in the effective use of rainfall. The result is drier soils and an intensified catastrophe when a serious drop in rainfall does occur, as it has repeatedly in parts of Africa in the last 15 years.

Some climatologists speculate that the widespread deforestation of the landscape in sub-Saharan Africa by humans and livestock is in turn making the climate drier, through either the effects of increased surface reflection of solar radiation or of increased dust in the air. But many regard this as unlikely.

Instead, notes, as does a Canadian expert on climate, F. Kenneth Hare, that Africa's frequent droughts since the late 1960s have been "hazards quite ordinary to the arid zone." "And," he adds, "it is certain that they will recur time after time in future generations."

These ominous developments have caused concern among organizations involved in international

disaster relief, including dozens of national Red Cross societies; private organizations such as CARE, Catholic Relief Services and numerous smaller humanitarian groups; and official agencies of the United Nations, the U.S. government and European nations that provide disaster assistance.

Drawing a parallel with the advantages that preventive medicine

holds over costly curative treatment, experts point out that land-use and building controls, environmental restoration, and other measures that could greatly reduce disaster vulnerability have received scant attention compared with emergency assistance, which is much less cost-effective.

Although precise totals are unavailable, "it is almost certain that

for every dollar spent on risk reduction, hundreds, even thousands, are poured into post-disaster relief programs," according to Ian Davis of Oxford Polytechnic in England.

Debate is now flaring within many relief organizations about the degree to which their past complacency may have contributed to the imbalance in resources devoted to emergency "first aid" efforts rather than disaster prevention.

Critics further charge that much relief work — the dramatic airlifts of tents, blankets and food — subverts community rebuilding and fails to prepare people for calamities.

"For the survivors of a natural disaster, a second disaster may be looming, for the very aid that is intended to help them recover may be provided in such a way that it actually impedes recovery, causes further economic hardship, and renders the society less able to cope with the next disaster," declared Frederick C. Cuny, a Dallas-based consultant, in his book "Disasters and Development," published last year by Oxford University Press.

It is the poorest people in the poorest countries who are most vulnerable to injury in natural disasters, a new survey of disaster research by Earthscan, an environmental information service in London, has documented. A

comparison of the earthquakes that struck San Fernando, California, in 1971 and Managua, Nicaragua, in 1972 is instructive. The California earthquake registered 6.4 on the Richter scale and occurred in a region with 7 million inhabitants, but only 58 deaths and minor damage were recorded. The Managua earthquake registered lower on the Richter scale, 6.2, but about 6,000 of the city's 430,000 residents were killed and 20,000 were injured.

At the simplest level, disaster preparedness plans, including procedures for taking advantage of early warning systems for hurricanes, floods and drought-related food shortages can be developed. Advances in the satellite tracking of weather systems, for example, now provide earlier warning of hurricanes than in the past. Improvements in the monitoring of rainfall, soil moisture and market conditions permit earlier predictions of harvests and food shortages. Volcano monitoring is also improving.

More fundamentally, the physical patterns of development can be influenced to hold down vulnerability. Effective zoning laws and building codes can reduce such threats as floods, landslides and earthquakes. Housing experts have developed siting guidelines and low-cost construction methods that hold down family injuries in earthquakes.



**DOPING CHECK** — An assistant at the Analytical Laboratory of Los Angeles, set up to administer doping regulations during the Olympic Games, makes a test with the Gas Chromatograph/Mass spectrometer, one of the most sensitive of its kind in the world.

## IN BRIEF

## Mouse Disease Linked to Dystrophy

**NEW YORK (AP)** — A British researcher has discovered a strain of mice with a disease resembling the most common form of muscular dystrophy. The development may speed the search for the cause of the disease and increase the likelihood of a treatment or cure, according to Donald Wood, associate director of the Muscular Dystrophy Association here.

Preliminary studies suggest that the mouse disease might be caused by the same genetic defect that causes Duchenne muscular dystrophy. In both the mice and humans, the defect is located on a particular region of the X chromosome, according to Grahame Bulfield, a geneticist at the British Agricultural and Food Research Council's Poultry Research Center near Edinburgh. Other strains of mice with muscular dystrophy have been found, but their illnesses have been traced to other chromosomes, meaning those mice have an illness that is different from the human disease, Bulfield said. He said further study would be needed to determine whether the mutation is the same as the one in human muscular dystrophy.

Meanwhile, another study by researchers in Boston and at Bar Harbor, Maine, has identified an infectious brain disease in mice that resembles a class of poorly understood fatal human illnesses, marking the first step toward a possible treatment.

The human diseases include scrapie, kuru and Creutzfeldt-Jacob disease, which caused the recent death of the choreographer George Balanchine. They are caused by what are called slow viruses, which may remain in the body for years before causing disease. The discovery may aid the identification of the slow viruses, according to Dr. Richard Sidman of Children's Hospital in Boston, who led the research team.

## High-Altitude Training Challenged

**NEW YORK (NYT)** — A new study contradicts the notion popular among athletes that training at high altitudes helps the body to function more powerfully by learning to transport oxygen more efficiently. At higher altitudes there are more red cells per unit volume of blood, and the assumption had been that this increase meant an improved ability to transport oxygen.

But according to Geoffrey A. Geer, of the University of Colorado at Boulder, the number of red blood cells does not increase significantly, while the amount of fluid plasma decreases, reducing the total volume of blood by as much as 25 percent as the body adjusts. To accommodate a decreased volume of blood, the heart cuts down the amount of blood it pumps. "Basically, the body responds to a higher altitude by slowing down," Geer said.

## Glaucoma Drug Cuts Side Effects

**COLLEGE STATION, Texas (UPI)** — A New Jersey pharmaceutical company was licensed Monday to use technology developed at Texas A&M University to produce a drug that treats glaucoma without the unwanted side effects of the currently most widely used drug.

The drug is D-timolol, a mirror copy of L-timolol, the most widely used glaucoma drug. L-timolol, according to Dr. George C. Y. Chou, head of the university's department of medical pharmacology and toxicology, has been found to cause cardiovascular side effects, decreased heart production, occasional bronchial spasms and depression.

## A Cheap Way to Measure Radioactivity

**BERKELEY, California (UPI)** — University of California researchers have announced a new detector system that can measure low-level radiation of any contaminated material quickly and cheaply.

Current detection techniques require time-consuming, complex and costly chemical separations to prepare samples for evaluation, while the new system permits direct evaluation of soil samples for radioactive contamination in a single operation. It can analyze raw soil samples for radioactivity within hours, using a photon spectrometry technique that characterizes and measures X-ray emissions. "X-ray emissions are like signatures," said one of the researchers, Richard H. Pehl of the Lawrence Berkeley Laboratory, "and by measuring them over a prescribed period of time, the abundance of a specific radioactive material in a soil sample can be determined."

## Radios Used to Track Mating Snakes

**TALLAHASSEE, Florida (AP)** — Tiny radio transmitters fed to eastern diamondback rattlesnakes are helping a scientist keep track of their mating habits.

Bruce Means of Florida State University said he has found the snake mates in August, rather than in the spring, as previously thought. He believes female snakes emit an odor that the male picks up with his tongue and nose. His tracking studies have shown that the male goes to the scent trail until he comes within 50 or 100 yards of the female. The female then lays scent trails on the ground, which attract the males.

To monitor the snakes' movements, he started in 1976 gently force-feeding radio transmitters to diamondbacks he captured at a research station in Tallahassee.

## Chemical May Cure Alcohol Damage

**LONDON (UPI)** — Researchers in Ireland say they may have found the chemical to cure damage done to the brain by excessive drinking — a substance found in many popular face creams.

Experiments on rats at University College, Galway have shown that the substance, gamma-linolenic acid, heals brain cell membranes damaged by alcohol. A dose of gamma-linolenic acid taken before or after imbibing stops the breakdown of cell membranes and repairs damage already done. But it also seems capable of preventing drinkers from getting drunk, according to Professor Brian Leonard of the university's pharmacology department.

## Diabetes Research Focuses on T-Cells

**BOSTON (AP)** — Replacing defective white blood cells can prevent diabetes in laboratory rats, and researchers at the University of Massachusetts Medical School in Worcester say the discovery may lead to a way to prevent humans from getting juvenile diabetes, the inherited disease that destroys the body's ability to make insulin.

Research on a strain of rat, the BB rat, that can contract a form of the disease similar to human juvenile diabetes, has focused the search for the cause of the disease in rats to T cells, a form of lymphocyte, or white blood cell, that plays an important part in the body's immune system.

Last year, the researchers found that transfusions of blood from healthy rats seemed to prevent the disease in rats with a genetic susceptibility for diabetes. "Our data suggests that the defect is in a T cell, and it also suggests that we can reverse it by administering this T cell" from healthy animals, said Dr. Aldo A. Rossini, who directed the study.

## INTERNATIONAL POSITIONS



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## Tethered Satellite Proposed as a Modern 'Skyhook'

By Walter Sullivan

New York Times Service

**NEW YORK** — The "skyhook," a concept with deep roots in history, is still alive in the minds of men.

"Let us build us a city and a tower, whose top may reach unto heaven," said the descendants of Noah, according to the Book of Genesis. But to build such an ambitious project, the Lord confused the builders with a multitude of languages and the Tower of Babel was never completed.

The idea of a tower that, in a sense, reached to heaven was revived in a series of proposals, beginning in 1895, for the building of cable-car systems or other "highways" into space. Their direct descendant is a scheme of the National Aeronautics and Space Administration for a satellite tethered to a space shuttle by a 60-mile (100-kilometer) cable.

It was in 1895 that the Russian Konstantin E. Tsiolkovsky, a early proponent of space travel, proposed building a tower on the Equator that would reach beyond geostationary altitude. At the geostationary height, 22,300 miles above the earth, the motion of an object in a west-to-east orbit keeps pace with the earth's rotation. It therefore remains stationary relative to features on the earth beneath it.

While gravity would pull on that part of a tower's structure below that elevation, the stress could be compensated by centrifugal force of the earth's rotation, Tsiolkovsky reasoned, if the tower were extended beyond geostationary height.

"The point is," he wrote of such a tower, "that the top part aspires to fly due to the centrifugal force, while the lower part pulls in the opposite direction."

In the 1960s there were several

proposals in which the structure, instead of being built up from the earth, would be suspended from orbiting objects whose combined center of gravity was at geostationary elevation. Y. N. Artztmanov in the Soviet Union, who suggested such an anchor in space, envisioned it supporting a "funicular" or system of cable cars that would carry payloads into the cosmos.

Six years later John D. Isaacs of the Scripps Institution of Oceanography and three colleagues, apparently unaware of the Russian proposals, published in the journal Science a similar scheme they called the "Skyhook." Once cargo passed the geosynchronous level, they pointed out, the energy of the earth's rotation would throw it off into space. This energy, they added, might even be used to lift the load from the earth's surface.

"Very large masses could be slung into space," they said. A Skyhook could also be used to support a laboratory at the geosynchronous level, deliver supplies to spacecraft, collect energy or material from space or support very tall structures on Earth.

The proposal was published despite doubts by the journal referees as to its practicality. A seemingly insurmountable problem was providing a cable thousands of miles long, strong enough to carry the load, yet not so heavy that it would break of its own weight.

Closer to the planned NASA missions was one for a low-level, geostationary communications satellite proposed in 1969 in the Journal of the British Interplanetary Society by A. R. Collar and J. W. Flower. The satellite would be kept close enough to the earth for low-power communications by being suspended from a satellite, high enough so the combined gravity of both vehicles would be at geostationary level.

The first tests of a tethering scheme were initiated in 1981 by Professor James G. Anderson of

Harvard University. They consisted of lowering an instrument package as much as 12 miles below a balloon at very high altitude, then reeling it back up again to obtain data at many levels of the stratosphere.

The space missions now being planned call for a space shuttle to deploy a tethered capsule that, with its own propulsion, will be able to climb higher or descend lower than the shuttle's own orbit. This will enable it to make observations in relatively "hot" regions of the Van Allen radiation belt, above the shuttle orbit, or descend into upper regions of the atmosphere where, because of drag, the shuttle itself could not long remain.

This Tethered Satellite System is sponsored by the U.S. and Italian space agencies, which have invited researchers to submit proposals for its first three flights. On the first mission it is planned to project the capsule 12 miles upward with instruments to record the earth's magnetic field as well as high energy particles magnetically trapped in the Van Allen radiation belt. On the next mission, a year later, it is planned to send the capsule down to make atmospheric observations. The third mission would again be above the shuttle. As currently planned the capsule will be a 1,000-pound (450-kilogram) sphere, five feet (1.5 meters) in diameter, equipped with gas jets to control its deployment out to 60 miles from the shuttle.

The tether is a Kevlar cable one-sixteenth of an inch thick that weighs only 3.56 pounds per mile and has a breaking strength of 650 pounds. Instruments can be attached to the capsule on long arms. On each flight it will be left deployed for about 16 hours before being reeled in.

The project was devised by two Italians associated with the Smithsonian Astrophysical Observatory in Cambridge, Massachusetts, Mario D. Grossi and the late Giuseppe Colombo.

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U.S. Stocks  
Report, Page 10

THURSDAY, AUGUST 2, 1984

WALL STREET WATCH

Interest-Rate Fall Is Called  
Key to Rise in Stock Prices

By EDWARD ROHRBACH

International Herald Tribune  
**M**ENTION interest rates in polite conversation and eyes glaze, jaws slacken, feet shuffle and otherwise intelligent people change the subject. For most folks, they are just not very interesting. Unfortunately, the stock market is intrigued by interest rates, if not obsessed by them.

The reason is simple: High rates mean investors can obtain a fat return in safe, secure savings accounts, money-market funds or Treasury bills, without risking their hard-earned cash in the stock market.

There is also the fact that high interest rates mean companies must pay more in borrowing funds to finance expansion, thus cutting into profits and making their stock less attractive to investors.

Interest rates are probably still the "key issue" on Wall Street, says Value Line, the investment advisory service, which notes "much of the recent damage to stock prices seems to have come from trends in earnings rather than interest rates."

Adds Abby Joseph Cohen, investment policy analyst at Drexel Burnham Lambert: "There's a very clear relationship between the stock market and interest rates, and this has been particularly clear in 1984."

So, the consensus is that interest rates must come down before stock prices can go up. As Armin G. Grunow, head of the investment research and advisory department at Dresdner Bank, Frankfurt, says flatly: "No reduction in interest rates, no rise in stock prices."

But predicting the direction and level of rates has been an endeavor hazardous to the job security of economists, though a "seldom right but never in doubt" approach still dominates forecasts.

"Put 20 experts in a room and you'll get 20 to 25 views on what makes interest rates go up or down," commented Ronald Glantz, executive vice president at Paine Webber.

Most economists had expected interest rates to decline in 1984 as the economy slowed. However, as business activity continued to soar, rates were pulled upward as demand for credit burgeoned in the expansion and raised the cost of money. Long-term rates, though, have softened since May, as the economy has shown tentative signs of cooling.

SINCE the economic recovery began about 19 months ago, interest rates have risen by about 33 percent. Historically, during comparable periods, they rose less than half that. The fact that rates go up during business expansions and down when the economy falters, is the general guideline so-called interest sensitive companies follow.

"That is the general trendline," said Charles Knapp, head of Financial Corp. of America, holding company for the country's largest savings and loan association, which is an industry whose fortunes are about the most influenced by interest rates. "But it's not a straight line. The trend is jagged on the way up and the way down."

Predicting interest rates in the short run is so chancy, said John Darr, Financial Corp.'s chief financial officer, that he expressed sympathy for investors who must try and pick their "own scenario" of where rates are headed.

The S&L's approach, he said, is devising strategies and hedges for all three possibilities in the short run: high, low or stable interest rates.

Mr. Darr also spoke of the "new dimension" recent developments such as adjustable-rate mortgages have provided the industry. These have also made the subject of interest rates increasingly more personal and poignant for individuals. Since 1981 some two million adjustable-rate mortgages, or those which fluctuate with interest rates, have been issued to U.S. homeowners and now constitute 60 percent of all home mortgages issued.

Paine Webber's Mr. Glantz, who has made a detailed study of

CURRENCY RATES

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1 U.S. dollar	1.9360	1.9360	1.9360	1.9360	1.9360
100 U.S. dollars	193.60	193.60	193.60	193.60	193.60

Source: Reuters. 1 U.S. dollar = 100 cents. All rates are for 1 U.S. dollar.

INTEREST RATES

Eurocurrency Deposits

	1 mo.	3 mos.	6 mos.	1 yr.
100 U.S. dollars	11 1/2%	11 1/2%	11 1/2%	11 1/2%

Asian Dollar Rates

	1 mo.	3 mos.	6 mos.	1 yr.
100 U.S. dollars	11 1/2%	11 1/2%	11 1/2%	11 1/2%

Key Money Rates

	1 mo.	3 mos.	6 mos.	1 yr.
100 U.S. dollars	11 1/2%	11 1/2%	11 1/2%	11 1/2%

GOLD PRICES

	100 U.S. dollars
100 U.S. dollars	11 1/2%

Markets Closed

Financial markets were closed Wednesday in Switzerland for a holiday.

Chrysler  
Switches  
To Bonds

Automaker Spurns  
Stocks for Pension

The Associated Press

DETROIT — Chrysler Corp. financial officers say the battered stock market is no longer a good investment for its pension dollars, so it has cashed in its entire stock portfolio of \$450 million.

The No. 3 U.S. automaker said it has invested the money instead in the bond market, where the returns are fixed and, at the moment, relatively high.

Chrysler announced its move Tuesday. The company's treasurer, Fred Zuckerman, said the stock holdings had represented "about one-third" of the pension fund's investments.

The automaker's pension fund covers 80,000 active workers and about 40,000 retirees.

Arvid Joopli, an independent automotive industry analyst, said Chrysler's action was "a repudiation of the stock market."

He said: "It's a conservative position, and I think an overly conservative one. It shows an inordinate fear of the common-stock market, which already is depressed."

But Mr. Zuckerman noted that bond-market yields are at near-historic highs. "What we've done is create a very high level of certainty that Chrysler retirees, both present and future, will get the payments to which they're entitled," he said.

Yields on long-term Treasury bonds are currently about 13 percent, although they rose in May to nearly 14 percent.

Stocks, on the other hand, carry no fixed rate of return.

Chrysler said it purchased \$1.1 billion in bonds, using the stock liquidation, \$200 million it already had in cash and an early payment of \$456 million into the pension fund that Mr. Zuckerman said would have been due Sept. 15.

The new portfolios "include a whole potpourri of bonds" of varying maturity and yields, Mr. Zuckerman said. Included are government and high-grade industrial and some high-quality mortgages, the average rating of which is AA-plus.

"We are protecting our employees from the vicissitudes of the stock market," Mr. Zuckerman said. "No one knows what the stock market is going to do and now we have locked in these high yields now available in the bond market."

Chrysler's pension situation has improved since the company was on the brink of bankruptcy, and Chrysler now is making record profits.

But the United Auto Workers union has given the automaker notice that it will try to reach contract parity at Chrysler once it finishes its labor talks this summer with General Motors Corp. and Ford Motor Co.

Optoelectronics: Japan's Challenge

In an Unassuming Lab,  
Race for 'Optopia' Is On

By Andrew Pollack

New York Times Service

KAWASAKI, Japan — The laboratory hardly seems like the kind of place that would unnerve U.S. industry.

Researchers pad about a single floor of the nondescript Fujitsu Ltd. building in slippers, posters of pinup girls dot the walls, and a giant picture of a Playboy bunny is painted on the side of the particle accelerator that is used for research.

But the Optoelectronics Joint Research Laboratory in this Tokyo suburb is indeed the center of one of those industrial efforts financed by the government for which Japan is becoming increasingly known and feared in the United States.

The mission of the laboratory's 50 researchers is to lead Japan's thrust into the emerging field of optoelectronics — the combination of light, usually from lasers, and electronics.

Optoelectronic technology is used now mainly to provide long-distance telephone communications through hair-thin glass optical fibers that can transmit information hundreds of times more quickly than conventional copper wires.

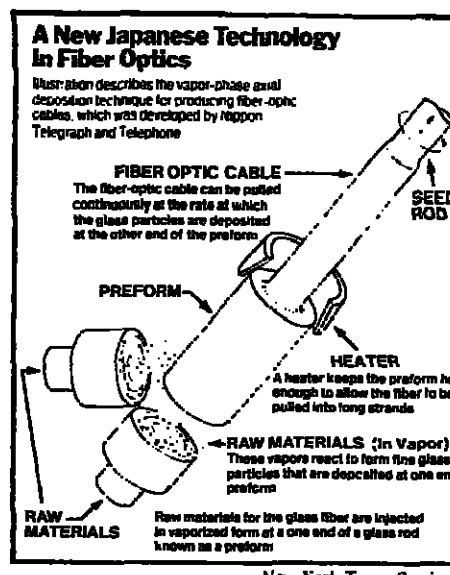
But Japan envisions much broader uses. It hopes that light will do many of the things now done by electronics, only more rapidly.

The country, which is somewhat behind the United States in electronics, is making a wholesale commitment to leapfrogging to the next generation of technology using light, bringing about what some avid supporters here have called "Optopia."

The Japanese telephone company, Nippon Telegraph & Telephone Corp., hopes to extend optical fibers to every home and business in the nation, allowing for two-way television, computer communications and electronic newspaper delivery.

Industrial planners envision optical control networks in factories. Optical fibers could transmit images from the inside of furnaces, where cameras cannot now operate; optical sensors could monitor pressure of industrial processes, while optical imaging devices could inspect products rolling off the assembly line and optical fibers could funnel the information at the speed of light to control computers.

Optical disks, which use lasers to read informa-



New York Times Service

tion stored on shiny platters, can store huge amounts of information.

Digital audio disks, a consumer application of such technology, can provide an hour of music on one side of a disk the size of a 45-rpm single with much higher quality sound than on conventional records.

The laser videodisk can store 54,000 pictures and allow any of them to be viewed in an instant. In the future, such optical disks will be used to store hundreds of times more computer data than the magnetic disks used now.

But for optics to compete fully with electronics, the optical equivalent of the electronic integrated circuit must be developed. That is the mission of the Optoelectronics lab.

"Unless we succeed in getting these devices, the future optics applications will be limited," said Masahiro Hirano, head of research planning at the lab.

Japan, a rather late starter behind the United States in electronics, is making impressive gains in the newer field. One indication of that came earlier last month when a team of Pentagon scientists

(Continued on Page 11, Col. 2)

U.S. Comptroller Urges Stiffer Rules for Banks

Reuters

WASHINGTON — The comptroller of the currency, C. Todd Conover, called Wednesday for stiffer controls on U.S. banks, including rules that would force them to make detailed public disclosures concerning their loans.

His remarks followed the government rescue last week of Continental Illinois National Bank & Trust Co.

"It is obvious on the face of it that the banking system is somewhat weaker today than it was several years ago," Mr. Conover said. He was referring to the impact of the recession of 1981 and 1982 and to the doubts over large bank loans to Latin American countries.

In an interview, Mr. Conover said that the need to maintain foreign confidence in the U.S. banking system was "precisely the reason that the Continental assistance package was put together."

"People ought to take some so-lace from that. I think we've made clear that the U.S. government in-

tends to stand behind the U.S. banking system," he said.

As comptroller, Mr. Conover is the principal regulator of nationally-chartered banks such as Continental Illinois. He also sits on the board of the Federal Deposit Insurance Corp.

Last week, the FDIC announced a \$4.5-billion plan to keep Continental afloat. In return, the government took an 80-percent stake in the bank until it regains stability.

Mr. Conover denied speculation that another such crisis was likely. "There isn't another Continental coming down the pipeline," he said.

He acknowledged, however, that the lingering effects of the recession and debt problems in Latin America meant that "there are more banks that we have to watch."

The comptroller's office, the FDIC and the Federal Reserve Board have issued proposals that would require banks to increase their availability of capital.

Under the proposals, banks would have to maintain capital

equivalent to at least 6 percent of their assets. At present, they must have capital of 5.5 percent.

"Those minimums could very well be increased in the future," Mr. Conover said.

Fed officials have estimated that major banks may have to raise up to \$5 billion to meet these guidelines, and higher levels will probably mean that even more money must be found.

But Mr. Conover said: "There is no point in establishing a level that is so high that it would require such an enormous increase in capital as to be unrealistic."

Mr. Conover also urged that banks make more details public on their loans, in order to impose more stringent market discipline on the banking system.

"If you can provide information to the marketplace, then the marketplace will make judgments about where it is safe to put money," he said.

Mr. Conover also said that he backed proposals by the FDIC to change the deposit insurance system, in which bank premiums cur-

rently finance a fund that insures individual deposits up to \$100,000.

One such plan would impose higher premiums on banks holding loans that are viewed as risky.

Mr. Conover said the Continental affair would make further deregulation of the U.S. banking system much more difficult than before, because of the prospect of resistance from the Democratic-controlled House of Representatives.

"There are pressures to slow down deregulation and those who are against it will probably use Continental as an excuse," he said.

Deregulation of financial instruments, such as the removal of interest-rate ceilings on certain bank accounts, has intensified competition among banks.

But Mr. Conover said that if new powers were withheld from the banks, business would go increasingly to financial service corporations such as Sears, Roebuck & Co., the department store group that has branched into banking, stockbroking and insurance.

Dollar Continues  
Its Record Surge

The Associated Press

LONDON — The dollar resumed its record-setting march in Europe Wednesday, propelled by firm U.S. interest rates.

The dollar soared to records against the French franc and Italian lira, an 11-year high against the West German mark, a 10-year high against the Dutch guilder and a seven-year high against the Swiss franc.

In Europe, the pound closed at \$1.3035 in London, compared with \$1.3081 Tuesday. In Frankfurt, the dollar was quoted at 2.9155, up from 2.8975; in Tokyo, at 245.90 yen, down from 246.45, and in Paris, at 8.9445, up from 8.891.

At 2 P.M. in New York, the pound was trading at \$1.308, compared with \$1.3058 late Tuesday; the franc, at \$8.931 from 8.8725, and the mark, at 2.9108 from 2.8915.

French Banks to Offer a National Credit Card

By Paul Lewis

New York Times Service

PARIS — All French banks and financial institutions will soon begin issuing a single national credit card that will be accepted at more than 300,000 sales points in France and anywhere else in the world where Visa cards are honored.

Under an agreement announced Tuesday, foreign visitors to France holding Visa, Mastercard or Eurocard credit cards will be able to use them wherever the new credit card, called Carte Bancaire, is accepted.

Also on Tuesday, the government said it was ending the ban on use of French cards outside the country. That ban was imposed in March 1983 to reduce the amount of currency spent abroad, after the franc was devalued for the third time in two years.

The main aim of the new bank card is to encourage the development of a sophisticated nationwide electronic payments system — one that could be sold abroad by preventing competition from smaller, rival systems.

"We cannot take the risk of seeing several incompatible payments

systems emerge in France," Alain Bizot, head of the banking organization issuing the new card, said Tuesday at a press conference.

In a separate statement, France's new finance minister, Pierre Bérégovoy, said the agreement would reduce banking costs and "reinforce the competitive position of our electronic industry, which has important strengths, especially in the export field."

The Paris office of American Express Co. issued a statement Tuesday night welcoming the new credit card as "well suited to France's needs." American Express's operations will not be harmed, the company said, because its cards are intended "for the top of the market."

The new card will replace the roughly 4.5 million Carte Bleue credit cards that are issued by the major state-owned French banks and that belong to the worldwide Visa system.

Several years ago, the leading French banks, which were subsequently nationalized, chose Visa over its competitors.

The new card will also replace

seven million credit cards issued by Crédit Agricole, the big French cooperative bank, and by the country's many small cooperative banks.

According to banking sources, the agreement means that Carte Bancaire and the cooperative banks will, in effect, discontinue their relatively simple credit cards, which were used mainly in cash dispensers, in favor of the more sophisticated cards favored by the nationalized banks.

Holders of the new card will be able to withdraw money from any of the 7,000 cash dispensers in operation in France, regardless of which bank installed them.

They will also be able to make purchases at more than 300,000 shops, restaurants and hotels, including 40,000 with terminals that debit a customer's bank account when a purchase is made.

Bankers say the introduction of a single credit card should facilitate the development of a nationwide electronic payments system that would gradually replace the use of the cash and checks.

Such a system will involve the

widespread installation of point-of-sale terminals that automatically debit a card holder's bank account. It would also encourage the development of "memory" cards, each equipped with an electronic chip, that give the bearer a fixed credit line that can be read by a terminal.

By creating a nationwide market for such equipment, the French government and the banks clearly hope that the country's electronics industry will be able to acquire a worldwide lead in these technologies, which it would then sell abroad, especially to other banks belonging to the Visa card system.

Mr. Bizot denied suggestions that the French banks are effectively forming a credit card cartel. He said individual banks issuing the new cards would be free within certain limits to vary the fees they charge to shops agreeing to honor them.

An earlier attempt to introduce an electronic payments system in France had a mixed reception. About 20 percent of merchants in St. Etienne, west of Lyon, boycotted a pilot scheme last year, protesting bank charges. Another test scheme in Lyon this spring did poorly, as most shopkeepers refused to join.



Pierre Bérégovoy

U.S. Held to Be More Competitive Than Thought

United Press International

NEW YORK — The United States has been far more competitive in world trade over the past decade than believed and should be able to provide enough jobs to reduce unemployment to 4.5 percent by 1995, a New York Stock Exchange study said.

The exchange conducted the study, "U.S. International Competitiveness: Perception and Reality," in a presidential election year to determine the facts in the public debate over U.S. trade performance, the basic health of industry and the national job outlook to 1995.

"For whatever reasons, misimpressions regarding the strength of our industrial base and our trade sector have developed and these misimpressions can lead to bad po-

licy," said the NYSE's chairman, John J. Phelan Jr., Tuesday.

"While several important industries — especially autos, steel, textiles and shoes — are continuing to experience serious problems, the findings of this study clearly show that the demise of U.S. competitiveness, like that of Mark Twain, has been greatly exaggerated," he said.

The NYSE study examined the trade performance of the 40 major U.S. industry groups and concluded:

• Almost half had a greater share of world exports in 1982 than in 1972.

• In 1982, 23 of the U.S. industry groups analyzed commanded the largest or second largest share of world exports, compared with 22 industry groups in 1972.

• The United States accounts for three of the five major industries in the world in which a single country has at least a 30 percent portion of world exports: computers, aerospace and office equipment.

• The U.S. share of world exports increased to 12.3 percent in 1982 from 12.1 percent a decade earlier.

William C. Freund, the NYSE's chief economist, directed the study. He said much of the concern about the decline of U.S. manufacturing stemmed from the weak performance of a few industries.

He pointed out that despite such concern, manufacturing production grew faster in some key sectors than the entire U.S. economy.

"In fact, if one excludes textiles, knitting, apparel, shoes and leath-

er, motor vehicles, and iron and steel from the 40 industry groups which comprise the industrial sector, manufacturing output actually grew faster during 1977-1982 than the economy as a whole," Mr. Freund said.

With labor force growth slowing and the economy expected to expand at a 3.5 percent annual rate through 1995, the United States should create 28.7 million new jobs and reduce the unemployment rate to 4.5 percent by 1995, he said.

The type of jobs available should be much the same in 1995, with only a gradual shift toward service employment.

Mr. Freund dismissed the contention that the United States is "about to become a nation of video arcades, drive-in banks and fast-food restaurants."

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**NYSE Most Actives**

Symbol	Price	Change
AT&T	112 1/2	+1/2
IBM	112 1/2	+1/2
GE	112 1/2	+1/2
AMC	112 1/2	+1/2
AMT	112 1/2	+1/2
AMR	112 1/2	+1/2
AMN	112 1/2	+1/2
AMT	112 1/2	+1/2
AMR	112 1/2	+1/2
AMN	112 1/2	+1/2

**Dow Jones Averages**

Index	High	Low	Close	Change
Indus	1129.50	1128.00	1128.50	+1.00
Comp	1129.50	1128.00	1128.50	+1.00
Trans	1129.50	1128.00	1128.50	+1.00
Chem	1129.50	1128.00	1128.50	+1.00

**NYSE Index**

Index	High	Low	Close	Change
NYSE	1129.50	1128.00	1128.50	+1.00

**Wednesday's NYSE Closing**

Vol. of 7 P.M. 187,448  
Prev. 3 P.M. vol. 73,108  
Prev. consolidated close 181,717.79

Tables include the nationwide prices up to the closing on Wall Street

**AMEX Diaries**

Symbol	Price	Change
AMEX	112 1/2	+1/2

**NASDAQ Index**

Index	High	Low	Close	Change
NASDAQ	1129.50	1128.00	1128.50	+1.00

**AMEX Most Actives**

Symbol	Price	Change
AMEX	112 1/2	+1/2

**NYSE Most Actives (Continued)**

Symbol	Price	Change
AT&T	112 1/2	+1/2
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AMT	112 1/2	+1/2
AMR	112 1/2	+1/2
AMN	112 1/2	+1/2

# AT 3 P.M.: Trading Heavy

**United Press International**

**NEW YORK** — The New York Stock Exchange was trading late Wednesday afternoon in what might be a major breakthrough for Wall Street, which has been in the doldrums all year.

The Dow Jones industrial average, which rose 5.30 Tuesday after losing 4.64 Monday, was ahead 18.32 to 1,133.60 about an hour before the close. The Dow, up 28.71 points since hitting a 17-month low last week, lost 17.12 for July overall.

Advances led declines 1,295-298 among the 1,929 issues traded.

The five-hour Big Board volume was about 106.2 million shares, up from the 72.3 million in the corresponding period Tuesday.

Prices were higher in active trading of American Stock Exchange issues.

Analysts said the heavy trading and the wide gap between advancing and declining issues indicated that the market might be making a major move. And institutional investors started to jump on board.

"The stock market is following the bond market, which is staging a solid rally," said Jacques Theriot of Smith Barney, Harris Upham.

Bonds were higher even though federal funds rates jumped to 12 percent from 11 1/2 percent Tuesday. These rates normally trend in wide ranges Wednesday because banks are settling accounts.

Dealers said there were rumors that the Treasury refunding plans, to be announced after the market closes, would not be as large as had been anticipated. There had been speculation the

government would have to borrow about \$17 billion.

There are hopes the government's borrowing needs would decline a bit in the future. President Ronald Reagan said Tuesday the nation's budget deficit would be down from previous estimates.

"I think the market has the ingredients of a spectacular rally," said Michael Metz of Oppenheimer & Co. "There is a high degree of liquidity and low expectations by investors."

Mr. Metz said investors "fear of inflation and heated economy are waning. The same is true of the fears about the economy running into trouble in the near future."

Investors were encouraged by government reports that factory orders fell 1.4 percent in June and construction spending eased 0.2 percent — further indications the economy is slowing.

High-technology stocks were in the forefront of the rally following news the Senate had passed legislation that liberalizes joint research and development projects.

IBM was sharply higher in active trading most of the day. The stock jumped 2 1/2 Tuesday after IBM raised its quarterly dividend to \$1.10 a share from 95 cents and announced some enhancements to its PCjr home computer.

Other winners included Texas Instruments, Digital Equipment, Tektronix, Cray Research, Hewlett-Packard and Burroughs.

Exxon was active and higher. The stock has been battered recently on news of lower oil prices and apparent disarray in OPEC. Among the other oils, Mobil, Texaco (ex-dividend), Atlantic Richfield and Chevron attracted attention.

**NYSE Most Actives (Continued)**

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IBM	112 1/2	+1/2
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**AMERICAN-ST. REGI**

**More Mergers**

**Optoelectronics**

**Regent Intel**

**Criswell D**

**Waver**

**Merrill Ly**



BUSINESS ROUNDUP

# Champion-St. Regis Link Sets Stage For More Mergers, Analysts Say

By Daniel F. Cuff  
New York Times Service  
NEW YORK — Champion International Corp.'s proposal to acquire St. Regis Corp. would create the largest forest-products company in the United States, and analysts say, set the stage for an expected flurry of mergers and acquisitions in the industry.

Nevertheless, Champion's move brought mixed reactions Tuesday from Wall Street.

Some analysts saw it as aggressive and gutsy, putting Champion's chips strongly in the paper industry and lessening its reliance on the cyclical building-products industry.

Others questioned the transaction's financial structure, noting its debt load for Champion and saying that it would dilute the value of Champion's stock. Business benefits from the combination might not materialize for a few years, they said.

St. Regis reached the merger accord with Champion Tuesday in an attempt to ward off an unfriendly bid from Rupert Murdoch, the publisher, for a 50.1-percent interest in St. Regis.

One suggested reason for Champion's move was that taking on St. Regis would make Champion less vulnerable to takeover moves as investors from outside the industry hunt for big companies with relatively depressed stock prices.

"Champion might have been worried about its own independence," said Gary Palmer, an analyst at Oppenheimer & Co.

As for the industry, a merger of St. Regis and Champion was seen as cutting down the threat of overcapacity that could hurt the current strength in paper making.

"I think from the viewpoint of the paper industry this is favorable," said George Adler, an analyst at Smith Barney, Harris Upham & Co.

Andrew C. Sigler, Champion's chairman and chief executive, said that since some of Champion's expansion goals would be fulfilled by the merger, "capital-spending plans of both companies will be carefully re-evaluated."

Champion added that its plans called for the "aggressive divestiture" of certain assets, which would raise cash and chop the new company's size. Among candidates for divestiture, analysts said, were such lines as newspaper and certain packaging operations.

Mr. Palmer said that although Champion would acquire valuable St. Regis paper-making assets, he still found the Champion move "somewhat puzzling."

"Champion's common equity had a total value of \$1.1 billion before the announcement," he said. "Yet Champion is paying \$1.1 billion in cash, issuing 39 million

shares and assuming considerable debt. The deal is quite dilutive," Mr. Palmer added.

Mr. Sigler's 10-year record at Champion "had not really benefited shareholders,"

But another analyst, H.C. Bowen Smith of Salomon Brothers, saw the proposed acquisition as positive for Champion. "I personally like aggressive moves," he said, calling Mr. Sigler's proposal a "gutty deal."

"This is a \$1.8-billion company in market value buying a \$2-billion company," he said. "St. Regis is 90 percent plus in the paper business and Champion can now be substantially viewed as a paper company, versus a forest-products company."

Despite the huge size of the proposed merger, the analysts predicted that antitrust problems could be worked out.

"I don't really see any overlap," Mr. Bowen Smith said. "The only problem is one of sheer size. It will now be the biggest company in the industry."

In 1983 sales, Georgia-Pacific topped the list with \$6.5 billion. Had Champion and St. Regis been combined last year, sales would have been more than \$7 billion.

The combined company will end up with six million acres (2.4 million hectares) of timberland, the No.2 holding next to International Paper.

## British Airways Cuts Its Standby New York Fare

United Press International  
LONDON — British Airways has cut the standby fare on flights from London to New York by nearly 20 percent to £139 (\$180) for a one-way ticket, intensifying price competition on the lucrative transatlantic route.

The reduction was part of a package of standby reductions to nine U.S. destinations, including Los Angeles, Washington D.C., Chicago and Miami.

The move follows an announcement Monday by Pan American World Airways and Trans World Airlines that they would offer off-season, New York-London fares lower than fares announced two weeks ago by BA.

The British carrier said July 18 it would offer a round trip fare of \$378 Monday to Thursday and \$428 Friday to Sunday.

BA's new standby fare to New York is 18 percent lower than its previous £170 fare and brings the state-owned carrier closer to cut-rate fares offered on the London-to-Newark, New Jersey, route by the U.S. carrier People Express and the British-owned Virgin Atlantic.

People Express, at £113, offers the lowest one-way fare to the New York area.

## Bonn Lifts Machinery Exports to U.S.

Warren Getler  
International Herald Tribune

FRANKFURT — The United States could become the biggest market for West German machinery, if recent trends continue.

West German machinery exports to the United States jumped 29 percent in the first quarter of 1984 to 1.8 billion Deutsche marks (\$625 million) from 1.4 billion DM a year earlier, the Plant and Machinery Association (VDMA) said Wednesday.

The association attributed the increase to the strong dollar, which makes imports relatively cheap in the United States, and expanding capital investment there.

Despite estimating another strong rise of exports for the second quarter, the association projected that the increase was below the first-quarter level because of the effects of the recent West German metalworkers' strike.

However, if the rise in machinery exports to the United States continues at a similar rate in the second half as in the first half, the United States could become the biggest market for West German machinery, surpassing France, the association said.

Total machinery exports to the United States could exceed 8 billion DM, compared with 6.3 DM for the whole of 1983, the association said.

French imports of West German machinery dropped 10 percent in the first quarter from year-earlier levels, an association analyst, Herbert Kriegbaum, said.

"The dramatic increase in our exports to the U.S. over the past six months is significant not only in terms of volume, but also because the United States is West Germany's chief competitor in capital-goods production," Mr. Kriegbaum said.

He said that 9.4 percent of West German machinery exports were sold to customers in the United States during the first quarter, up from an average 8 percent for 1983 as a whole.

U.S. exports of machine-goods to West Germany were up 10 percent for the quarter, Mr. Kriegbaum said.

In addition to the drop in sales to France, which traditionally has bought 12 percent of total West German machinery exports, exports to nations in the Organization of Petroleum Exporting Countries fell 20 percent for the quarter from a year earlier and sales to the debt-burdened Latin American states were down 5 percent, Mr. Kriegbaum said.

When the stronger performance in the United States is balanced with weaker showings in the Middle East and Latin America, revenue from exports shows a real 4-percent rise for the first five months of 1984 compared to the year-earlier figure, Mr. Kriegbaum said.

Toolmakers, plant builders, chemical companies and automakers are among those sectors benefiting from a 60-percent increase in West German exports to the United States during the first five months of this year, according to the Bundesbank, West Germany's central bank. During this period, the dollar has appreciated against the mark more than 8 percent from year-earlier value.

## EC and IBM Continue Talks

The Associated Press  
BRUSSELS — The European Community and International Business Machines Corp. continued talks Wednesday on an antitrust case the EC brought against the company four years ago, an EC official said. He said the outcome of the discussions might be announced Thursday.

The two sides reportedly are approaching a compromise settlement of the EC's charge that the company is unfairly restricting competition in the European computer industry. Both sides have declined to give details on the talks.

The EC wants IBM to make earlier disclosure of design information when it introduces new products. The company contends that it should not have to yield proprietary information to its competitors.

## The Daily Source for International Investors

Frank Z. Kuhn  
The Daily Source for International Investors is a weekly publication that provides a comprehensive overview of international business and financial news. It is available for subscription.

## Porsche, Citing Metal Strike, Delays Output of '85 Models

By Warren Getler  
International Herald Tribune

STUTTGART — Porsche AG, the West German automaker, said Wednesday that it is postponing production of its 1985 models by two months because of the seven-week metalworkers' strike.

Production of the 1985 versions of the 924, 944, 911 and 928S models, which normally would have begun Wednesday, is now scheduled to start on Oct. 1. The postponement will give the company time to make changes in the assembly lines, according to Manfred Jantke, a Porsche spokesman.

Mr. Jantke said that production of the 1984 models, now at the full capacity of 230 cars per day, will continue until the end of August. The usual three-week summer vacation in July has been shortened by half a week and began on Wednesday.

Porsche said prices for the new 1985 models will increase by 3.9 percent over the 1984 ones. Mr. Jantke said the increase resulted from costs of improvements, such as seating design, and not from the strike.

Porsche lost production of 5,700 automobiles, or 300 million DM (\$103 million) in sales, because of the strike, which ended a month ago.

In the January-to-May period, Porsche had been operating at full capacity, with sales up 15 percent from the period a year earlier. In 1983, Porsche sold a record 45,000 automobiles.

Mr. Jantke said Porsche could hope at best to equal the 1983 figure. He said the strike had ended hopes of selling 45,000 cars.

Orders from the United States, a traditionally strong market for Porsche, were up 15 percent in July from a year earlier.

## COMPANY NOTES

Becton, Dickinson & Co. said it had agreed to acquire about 10 percent of Applied Biosystems Inc. common stock for \$26 a share, in a transaction calculated at \$5.3 million. The company said it would also obtain the right to buy up to another 10 percent at prices of up to \$30 a share over the next 12 months.

Chevron Capital USA Inc., a subsidiary of Chevron Corp., filed with the Securities and Exchange Commission for an offering of up to \$2 billion in debt securities, the value of which will be determined by market conditions at the time of sale. The company said payment of principal and any premium and interest on the debt securities would be guaranteed by Chevron Corp.

Colt Industries Inc. said it acquired Engler Instrument, a division of Sangamo Weston Inc., a subsidiary of Schlumberger Ltd., for undisclosed terms. Engler, which is in Jersey City, New Jersey, makes automotive instruments and had sales in 1983 of about \$10 million.

Cooperation Inc. said its board raised the quarterly dividend to 10 cents a share from seven cents, payable Aug. 20 to holders of record on Aug. 13. The company had briefly suspended dividends while Nestlé SA had tendered for its shares. The Nestlé offer was terminated last Friday.

General Motors Corp. announced plans to build a \$12-million parts-distribution center in Edmonton, Alberta.

Hewlett-Packard Corp. expects this year's sales to rise 28 percent to \$6 billion from \$4.71 billion in 1983. The company's president and chief executive officer, John A. Young, said it had set an objective of reducing its field failure rates to one-tenth of the 1979 level over the course of the current decade.

Hudbay Oil (Malacca Strait) Ltd. made an encouraging oil discovery on Padang Island, Indonesia. British Petroleum Co. PLC and London & Scottish Marine Oil PLC said Hudbay is jointly owned by BP and Lasmco.

Nissan Motor Co. said it has agreed to supply car parts to Premier Automobiles Ltd. of Bombay from late this year for use in Premier's new small-car production project.

Times Mirror Co. said it has agreed to buy Call-Chronicle Newspapers Inc. for about \$108 million. The Allentown, Pennsylvania-based Call-Chronicle is the only daily newspaper in Lehigh County and is distributed in eight other counties around the Lehigh Valley, including the cities of Allentown, Bethlehem and Easton. Last year, Call-Chronicle had sales of \$45 million.

Union Pacific Corp. said its board has authorized the repurchase of up to 3 million common shares from time to time. It said the stock will be held in its treasury and used for general corporate purposes. The company now has about 115 million shares outstanding.

## Fall in Rates Key to Stocks

(Continued from Page 9)

the impact of interest rates on the stock market, notes pessimistically that rates normally do not peak until well after the economy enters a recession. He said the stock market, also in anticipation of five of the last six bull markets, has not bottomed until interest rates peaked.

So even if the economy has now begun to recede, something Mr. Glantz questions, interest rates are likely headed up, probably sharply. He pointed out that when the economy peaked in January of 1980, two months later rates were 2 percentage points higher. Following the business peak in July of 1981, he said, they jumped a point.

Therefore, given the 10-month lead time it usually takes after the index of leading economic indicators began to fall before a recession hits, he declared: "Even if June was the beginning of a decline in the economy, it would take a year before there is any chance of a bull market starting."

## Optoelectronics: Japan's Challenge

(Continued from Page 9)

came here to look at Japanese technology for possible military use and focused on optoelectronics.

"It's a well-known fact that the Japanese industry is very capable in this area," said a member of the mission. "The Japanese have captured a large part of the world market in commercial high-technology electro-optics."

The worldwide market for optical-fiber communications equipment is expected to grow from \$756 million in 1984 to more than \$3 billion by 1989, according to Kessler Marketing Intelligence in Newport, Rhode Island.

The Japanese companies have won major contracts around the world and in the United States. Fujitsu Ltd., for instance, is supplying components to MCI Corp. and Pacific Bell, a unit of Pacific Telesis Group.

The Japanese also have about 40 percent of the \$1-billion world market for optoelectronic components, compared with 35 percent for U.S. companies, according to Dataquest, a market research concern. The components are the devices that either emit or detect light at either end of the fiber.

Much of the Japanese lead in market share stems from the relatively easy-to-make consumer items, such as low-performance lasers used in compact disk and video disk players, and light-emitting diodes, the tiny devices that were once common in displays of watches and calculators and that are now used in electronic appliances.

The Japanese are also strong in high-performance semiconductor lasers, which emit tiny pulses of light that travel through the optical fibers. Even American Telephone & Telegraph Co., a U.S. leader in optoelectronics, is using Hitachi semiconductor lasers in some of its systems.

Japan's skill has been developed largely at two government-owned laboratories: the Electro Technical Laboratory in Tsukuba, and NTT Laboratories, the Japanese counterpart of Bell Laboratories in the United States.

NTT labs, together with three cable manufacturers, developed a new way of mass producing optical fibers.

The previous processes, pioneered by AT&T and Corning Glass Works, involve forming glass rods, known as preforms, which are drawn into thin fibers by melting one end.

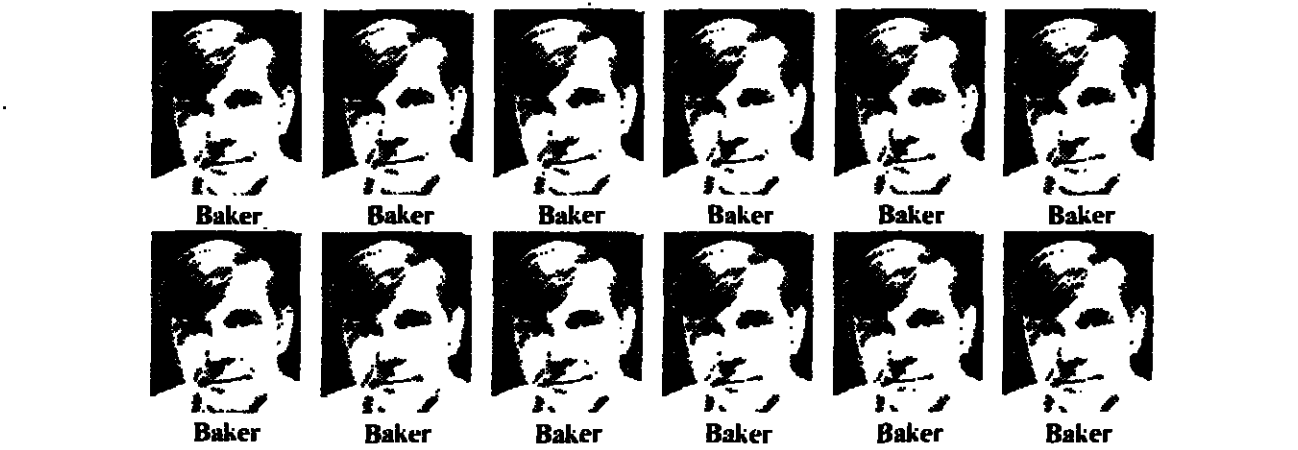
To make the preform, glass is deposited, layer by layer, on the inside or outside of a tube that serves as the foundation. But the preform can be only as long as the foundation tube and the size of the preform limits the amount of fiber that can be made at any one time.

The technique developed by the Japanese, called vapor-phase axial deposition, involves depositing glass at the bottom of the preform rather than along the sides.

There is thus no limit to how long the preform can be. It is even possible to make fiber manufacturing a continuous process.

"The method is hard to control, but once you control it you can get a continuously and endlessly long preform that way," said Tsuneco Nakahara, executive managing director of Sumitomo Electric Industries, Japan's largest producer of fiber-optic cables.

## A Dozen



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# Wednesday's NYSE Closing

Tables include the nationwide prices  
up to the closing on Wall Street

12 Month  
High Low Stock Div. Yld. PE 100-High Low Quot. Chg

(Continued from Page 10)

12 Month	High	Low	Stock	Div.	Yld.	PE	100-High	Low	Quot.	Chg
35	189	187	189	187	189	187	189	187	189	187
36	190	188	190	188	190	188	190	188	190	188
37	191	189	191	189	191	189	191	189	191	189
38	192	190	192	190	192	190	192	190	192	190
39	193	191	193	191	193	191	193	191	193	191
40	194	192	194	192	194	192	194	192	194	192
41	195	193	195	193	195	193	195	193	195	193
42	196	194	196	194	196	194	196	194	196	194
43	197	195	197	195	197	195	197	195	197	195
44	198	196	198	196	198	196	198	196	198	196
45	199	197	199	197	199	197	199	197	199	197
46	200	198	200	198	200	198	200	198	200	198
47	201	199	201	199	201	199	201	199	201	199
48	202	200	202	200	202	200	202	200	202	200
49	203	201	203	201	203	201	203	201	203	201
50	204	202	204	202	204	202	204	202	204	202

12 Month	High	Low	Stock	Div.	Yld.	PE	100-High	Low	Quot.	Chg
51	205	203	205	203	205	203	205	203	205	203
52	206	204	206	204	206	204	206	204	206	204
53	207	205	207	205	207	205	207	205	207	205
54	208	206	208	206	208	206	208	206	208	206
55	209	207	209	207	209	207	209	207	209	207
56	210	208	210	208	210	208	210	208	210	208
57	211	209	211	209	211	209	211	209	211	209
58	212	210	212	210	212	210	212	210	212	210
59	213	211	213	211	213	211	213	211	213	211
60	214	212	214	212	214	212	214	212	214	212
61	215	213	215	213	215	213	215	213	215	213
62	216	214	216	214	216	214	216	214	216	214
63	217	215	217	215	217	215	217	215	217	215
64	218	216	218	216	218	216	218	216	218	216
65	219	217	219	217	219	217	219	217	219	217
66	220	218	220	218	220	218	220	218	220	218
67	221	219	221	219	221	219	221	219	221	219
68	222	220	222	220	222	220	222	220	222	220
69	223	221	223	221	223	221	223	221	223	221
70	224	222	224	222	224	222	224	222	224	222

12 Month	High	Low	Stock	Div.	Yld.	PE	100-High	Low	Quot.	Chg
71	225	223	225	223	225	223	225	223	225	223
72	226	224	226	224	226	224	226	224	226	224
73	227	225	227	225	227	225	227	225	227	225
74	228	226	228	226	228	226	228	226	228	226
75	229	227	229	227	229	227	229	227	229	227
76	230	228	230	228	230	228	230	228	230	228
77	231	229	231	229	231	229	231	229	231	229
78	232	230	232	230	232	230	232	230	232	230
79	233	231	233	231	233	231	233	231	233	231
80	234	232	234	232	234	232	234	232	234	232
81	235	233	235	233	235	233	235	233	235	233
82	236	234	236	234	236	234	236	234	236	234
83	237	235	237	235	237	235	237	235	237	235
84	238	236	238	236	238	236	238	236	238	236
85	239	237	239	237	239	237	239	237	239	237
86	240	238	240	238	240	238	240	238	240	238
87	241	239	241	239	241	239	241	239	241	239
88	242	240	242	240	242	240	242	240	242	240
89	243	241	243	241	243	241	243	241	243	241
90	244	242	244	242	244	242	244	242	244	242
91	245	243	245	243	245	243	245	243	245	243
92	246	244	246	244	246	244	246	244	246	244
93	247	245	247	245	247	245	247	245	247	245
94	248	246	248	246	248	246	248	246	248	246
95	249	247	249	247	249	247	249	247	249	247
96	250	248	250	248	250	248	250	248	250	248
97	251	249	251	249	251	249	251	249	251	249
98	252	250	252	250	252	250	252	250	252	250
99	253	251	253	251	253	251	253	251	253	251
100	254	252	254	252	254	252	254	252	254	252

12 Month	High	Low	Stock	Div.	Yld.	PE	100-High	Low	Quot.	Chg
101	255	253	255	253	255	253	255	253	255	253
102	256	254	256	254	256	254	256	254	256	254
103	257	255	257	255	257	255	257	255	257	255
104	258	256	258	256	258	256	258	256	258	256
105	259	257	259	257	259	257	259	257	259	257
106	260	258	260	258	260	258	260	258	260	258
107	261	259	261	259	261	259	261	259	261	259
108	262	260	262	260	262	260	262	260	262	260
109	263	261	263	261	263	261	263	261	263	261
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111	265	263	265	263	265	263	265	263	265	263
112	266	264	266	264	266	264	266	264	266	264
113	267	265	267	265	267	265	267	265	267	265
114	268	266	268	266	268	266	268	266	268	266
115	269	267	269	267	269	267	269	267	269	267
116	270	268	270	268	270	268	270	268	270	268
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118	272	270	272	270	272	270	272	270	272	270
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122	276	274	276	274	276	274	276	274	276	274
123	277	275	277	275	277	275	277	275	277	275
124	278	276	278	276	278	276	278	276	278	276
125	279	277	279	277	279	277	279	277	279	277
126	280	278	280	278	280	278	280	278	280	278
127	281	279	281	279	281	279	281	279	281	279
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132	286	284	286	284	286	284	286	284	286	284
133	287	285	287	285	287	285	287	285	287	285
134	288	286	288	286	288	286	288	286	288	286
135	289	287	289	287	289	287	289	287	289	287
136	290	288	290	288	290	288	290	288	290	288
137	291	289	291	289	291	289	291	289	291	289
138	292	290	292	290	292	290	292	290	292	290
139	293	291	293	291	293	291	293	291	293	291
140	294	292	294	292	294	292	294	292	294	292
141	295	293	295	293	295	293	295	293	295	293
142	296	294	296	294	296	294	296	294	296	294
143	297	295	297	295	297	295	297	295	297	295
144	298	296	298	296	298	296	298	296	298	296
145	299	297	299	297	299	297	299	297	299	297
146	300	298	300	298	300	298	300	298	300	298
147	301	299	301	299	301	299	301	299	301	299
148	302	300	302	300	302	300	302	300	302	300
149	303	301	303	301	303	301	303	301	303	301
150	304	302	304	302	304	302	304	302	304	302

High	Low	Stock	Div.	Yld.	PE	100-High	Low	Quot.	Chg.
34	24	Upjohn				11	22	24	+
34	24	USMC				11	22	24	+
34	24	USMC				11	22	24	+
34	24	USMC				11	22	24	+
34	24	USMC				11	22	24	+
34	24	USMC				11	22	24	+
34	24	USMC				11	22	24	+
34	24	USMC				11	22	24	+
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## ART BUCHWALD

## Going for the Real Gold

WASHINGTON—Not every body at the Los Angeles Olympics is there for fun. Seated in the bleachers, making notes and rarely smiling are scouts for almost every advertising agency in the world. Their dream is to find another Bruce Jenner or Mark Spitz to push their products for the next four years.

I asked Morgan Whiteley, who has been scouting every Olympics for the last 20 years, what he looks for in an Olympic star. "I don't care how high he can jump or how fast he can run, he has to have credibility with the public to sell razor blades."

Other people may be looking at his legs, but I'm looking at his face. Some athletes never look properly shaved.

"Are you only looking for a gold medal winner who can sell razor blades?"

"No, I've got a list of clients who want to sign up this year's stars. But the competition is rough and amateur athletes are now wise to how much money there is to be made in going for the gold. Every time you approach one on the field he refers you to his agent. Endorsements don't come cheap any more. I could sign up a four-man relay team eight years ago for what it cost me for one lousy amateur boxer this year."

"I assume that you're only interested in gold medal winners."

Ferraro Biography Due Out Next Week

WASHINGTON—The first unofficial, unauthorized Geraldine Ferraro instant paperback biography will be out in the United States next week.

Pinnacle Books is sending out a half-million copies of "Gerry!" with 16 pages of photographs. It was written by Rosemary Breslin with people magazine writer Joshua Hammer. Breslin is the daughter of New York Daily News columnist Jimmy Breslin.

"That's the ticket. You're not going to get anyone to buy Wheaties from a guy who finished 25th in the marathon."

"Are you scouting the swimmers as well?"

"Of course. Everyone likes swimmers. I've got a bathing suit client who is willing to pay \$100,000 for an American breaststroke champion."

"That shouldn't be a problem."

"It is if she doesn't look good in a bathing suit. Unlike most people who watch swimmers when they're in the water, I have to look at them when they're walking around the pool. Just because you're a champion breaststroke doesn't mean you have a champion's chest."

"I don't imagine everyone who wins a gold medal is on your shopping list."

"That's true. You can forget scullers, archers and volleyball players. They don't even make good American Express Card commercials. What you're looking for is a star. Nobody cares if an equestrian rider drinks milk or not, or whether a cyclist uses underarm deodorant. What I really want is a 4-foot-6-inch gymnast who can carry a 35-pound portable computer through an airport terminal."

"That would make a great commercial," I said. "Are you in the market for divers?"

"We have a wristwatch client who will take one to prove you can dive from a 60-foot tower into water and not lose a second of time."

"Do you think you can find a gold medal diver to do it?" I asked.

"That won't be the problem. The watch company is still trying to develop a timepiece that won't stop when it hits the water."

"Have you ever signed an athlete and been disappointed?"

"I had a case the other day. I signed up a 330-pound weightlifter who took the hell out of the language we represent to show it could take a beating. Then he took a test and they found out he was using hormones."

"What a blow," I said.

"Fortunately it wasn't a total loss. We also handle a large pharmaceutical company which was looking desperately for someone to endorse their steroids."

## It's Me, Limonov: A Nonfiction Memoir

By John G. H. Oakes

PARIS—Edward Limonov, 40-year-old writer, painter, and actor, is sitting still. The thin, 40-year-old writer paces around the room, hands gesticulating. It has been suggested he is marginal, and he is reacting.

"I don't know whether I'm marginal," he said. "It is difficult for me to say, but it is someone else's view. But anyway, I don't care what they think."

Despite the fact that he is the author of six books of prose and has been translated from his native Russian into Danish, Dutch, German, French, Italian and English, it is easy to think of Limonov as marginal. In the Soviet Union, where he lived until 1974, he was an outcast, at times a petty thief and a poet. But not a dissident: "I hate that term. It's a generalization."

In the United States, he was down and out both in morale and finances, and his experiences there provided the nightmare vision of New York City in "It's Me, Eddie: A Fictional Memoir." Widely praised both in the United States and in Europe, the book falls within the new literary movement of "Dirty Realism," with its portrait of "little Eddie," making love to bums on the street and scrambling to find the money to pay for a bottle of vodka.

In the tight-knit world of Russian émigrés, Limonov is regarded with suspicion, precisely because he was never politically active in his homeland; the French press has labeled him the "dissident dissident." Limonov argues that Andrei Sakharov, the Nobel Prize-winning physicist exiled in Siberia, had isolated himself. In the beginning, Sakharov was absolutely right, for example, when he criticized the invasion of Czechoslovakia. Then he became totally unrealistic," Limonov said, in his heavily accented English. "You wouldn't cross a busy street on a pedestrian red light, would you? Well, that's what Sakharov has done, figuratively speaking."

"The U.S.S.R. is a boring—certainly not a vicious—country," he said.

Limonov has had a lifetime of defying authority. He left the So-



Writer Limonov wants "desperately to be understood."

viet Union—"by choice," he emphasized—after refusing to become an informer for the secret police. "They were interested in my friendship with diplomats. They said to me, 'You are going to places where we have no access,'" Limonov said. "I thought about it, but I decided I wouldn't do it. I said to them, my father worked 28 years for the secret police. Our family has paid its debt to the state."

Not long after his refusal to collaborate, Limonov was told to leave Moscow when the police "discovered" that he, as a native of the Ukraine, had no passport, or permission to reside in the capital. Limonov being Limonov, he ignored the order, but in the end he acceded to official suggestions that he leave the country.

"I decided I had to leave," he said, "because once they put an eye on you—," His voice trailed off, as though the implications were self-evident. "My life would have been uncomfortable, maybe. But he added, "I don't mean that I would have been put in prison. You have to do something really special for that."

In New York, broke and frustrated, he experimented with homosexuality and heroin. He was interrogated by an FBI special agent, Ronald Holbert. "They asked about my relationship with Soviet citizens," he said. "It was so silly."

But he is no more bitter about hard times in New York than he is about hard times in Moscow. "The experiences opened some new doors for me. I learned a lot in the United States. The manuscript of 'It's Me, Eddie' was sent to 35 U.S. publishers—'give or take a couple, I stopped counting at 28'—before Limonov gave up and found a French one. "It was only after a considerable success here that Random House took the book."

"It's the story of an insignificant man, isolated from everybody, struggling for his life," Limonov said. "But he didn't want to be a Russian in New York. He could have been, say, a Japanese person living in China."

That's not to suggest the characters in the "fictional memoir" are not real. Since the book was written in 1977, Limonov said that one of the Russian émigrés mentioned in it went crazy, and another was imprisoned for killing a man.

Limonov has changed everything in his life at least once: his country, his profession, even his name, which he changed as a result of a "literary game," with friends while he was a young man in the Ukraine. "Limonov means something very artificial for a Russian. It is an appropriate name for a clerk, a small guy working in a bank. It's the sort of name one of Chekhov's heroes would have," said Limonov, formerly Savenko.

He is open about a writer's need for a well-defined image, even if it starts with the way one dresses. Limonov, who looks more like a teen-ager than a 40-year-old, could pass for a punk rocker. "In 1975, I didn't have anything to do in New York, and I was attracted to the punk movement. I heard the song 'Anarchy in the U.K.' and just flipped out."

Sometimes, Limonov said, a critic or editor will remember him simply because of his appearance. "It helps me stand out. And it works—people immediately pay attention to me. You have to have a carefully constructed image—it's a fact of life of a writer. You can't ignore it."

Limonov recalled a sales meeting sponsored by one of his French publishers where all the other writers "sounded like professors of literature." "I had been very, very drunk the night before and barely had the strength to stand up at the podium. I hardly spoke French then, and just said some stupid nonsense. I was very sad afterwards. Later, the publisher came up and hugged me and said, 'You were great, absolutely great.' It helps to be distinctive."

"First, though, you have to get to a point where you're worth noticing. You have to be on stage to perform."

But there is a limit to how much he is willing to tailor his image to popular demand. "I never wrote books to please editors. I want to be popular, to be read, but not to the extent where I'm going to sacrifice something. I am proud. I have my own position. But sometimes," he added, "I want desperately to be understood."

PEOPLE  
5 Win Kennedy Awards

A gala performance at the Kennedy Center in Washington will honor the entertainers Lena Horne and Danny Kaye, the composer Gian Carlo Menotti, the playwright Arthur Miller and the violinist Isaac Stern, recipients of the center's Honors of 1984. The artists, who will be feted at the Kennedy Center's Opera House on Dec. 2, were selected for distinguished achievements and career contributions to American culture, the center announced Tuesday. President Ronald Reagan and his wife, Nancy, will conduct a reception for the artists at the White House. The honors program was created in 1978.

The Vienna Philharmonic Orchestra has agreed to perform at the Salzburg Music Festival with the conductor Herbert von Karajan, who is being boycotted by members of his Berlin Philharmonic Orchestra. Festival organizers said the Vienna ensemble would play under Karajan Aug. 27-28. The Berlin Philharmonic announced last week it would not honor concert commitments for those dates. Karajan, 76, and the orchestra have been feuding for 19 months, following the hiring of a clarinetist, Sabine Meyer, at Karajan's request without the approval of the orchestra.

Five young bridge players from the Boston area, suspected of cheating by using illegal signals, have been suspended from competition by the American Contract Bridge League. They face a hearing at which videotapes of their play are to be shown. The suspensions followed the national championship in Washington, where the team members were videotaped during play, and then withdrew from the tournament. Ralph Cohen of Memphis, the executive director of the league, said that letters of suspension had been sent to Moses Ma, captain of the five-member team, Rajan Batta and Paul Farah, all of Cambridge, Massachusetts, and to Philip Santos of Boston and Bhaskaran Jayant Iswar of Somerville, Massachusetts.

Governor Mario Cuomo of New York was such an oratorical hit at the Democratic Convention in San Francisco that the International

Platform Association, the professional organization of the lecture circuit, will award him the Theodore Roosevelt Award for making "the greatest keynote address in American history" at a political convention. Cuomo is expected to pick up his award Friday at the Platform Association's 135th annual convention in Washington.

Steven Spielberg, the creative genius behind such screen blockbusters as "E.T. the Extra-Terrestrial" and "Close Encounters of the Third Kind," is turning his talents to the small screen with NBC. The television network announced Monday that it has signed Spielberg, 36, as executive producer of a weekly half-hour science fiction fantasy series called "Amazing Stories" for the 1985-86 season. Spielberg will produce a minimum of 44 episodes.

A French adventurer sailed 26.7 miles (43 kilometers) across the Soya or La Pérouse Strait in the northern Japan Sea aboard a wind surfboard, the Maritime Safety Agency reported Wednesday. Citing a Soviet coastal radio broadcast, the agency said Baron Armand de Rosnay, 38, landed at Cape Mysa Krlon on the southern tip of the Soviet island of Sakhalin Tuesday. It was his fifth wind-surf crossing of the world's major straits. Previously he crossed the Bering Strait, the Strait of Gibraltar, the Straits of Florida and the English Channel. De Rosnay said he plans to cross 17 straits around the world.

Prince Norihito, Emperor Hirohito's nephew and ninth in line to the Imperial Japanese throne, has received approval to marry Hisako Tokutomi, a Cambridge University graduate, the Imperial Household Agency said Wednesday. The agency said the 10-member Imperial Household Council, chaired by Prime Minister Yasuhiro Nakasone, approved the engagement of Prince Norihito, 29, third son of Prince Mikasa, and Tokutomi, 31, who is a free-lance translator and daughter of Shigeo Tokutomi, managing director of Toho Busan Trading Company. The marriage is expected to take place before December.

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